

AVIATION SECURITY

HEARING
BEFORE THE
SUBCOMMITTEE ON AVIATION
OF THE
COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE
ONE HUNDRED FIRST CONGRESS
FIRST SESSION
ON
AVIATION SECURITY

APRIL 13, 1989

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AVIATION SECURITY

THURSDAY, APRIL 13, 1989

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
SUBCOMMITTEE ON AVIATION,
Washington, DC.

The subcommittee met at 9:33 a.m. in Room SR-253, Rayburn Senate Office Building, Hon. Wendell H. Ford (chairman of the subcommittee) presiding.

Staff members assigned to this hearing: Steve Palmer, senior professional staff member; Carol Carmody, professional staff member; and John Timmons, minority staff counsel.

OPENING STATEMENT BY SENATOR FORD

Senator FORD. Good morning, ladies and gentlemen.

The devastation of Pan Am Flight 103 over Scotland last December and the resulting loss of 270 innocent lives has focused the attention of air travelers throughout the world on the importance of airport and airline security. With that one swift blow, unknown assailants—and we may know this morning who they are—have called into question our ability to deter terrorist acts against both the U.S. government and its citizens.

The Pan Am 103 incident has also focused the attention of this Senator. As Chairman of the Aviation Subcommittee, I believe we need to take whatever steps are necessary to ensure that the United States is capable of preventing a tragedy such as the Pan Am 103 incident from ever happening again.

Some will argue that it is impossible to stop every threat to our air transportation system. But we must strive to accomplish that objective. That is what our hearing is about today.

From this day forward, we must work to develop procedures and technology to assure that we will be capable of stopping terrorist acts in the 1990's. In the past, our aviation security systems have been developed in reaction to earlier acts of terrorism.

We must begin to act positively, to create forward-looking airport and airline security system capable of meeting the challenges of the coming decade.

In the weeks following the Pan Am incident, Transportation Secretary Skinner and the Federal Aviation Administration acted quickly to announce passenger and baggage screening procedures designed to minimize the chance of a future act aboard a U.S. air carrier. And again last week, additional actions were announced relative to the placement of explosive detection devices, treatment

of FAA security bulletins, and location of additional security personnel.

I applaud these actions. But many questions arise from these announcements. Do they go far enough? Who will pay for the new technologies and security procedures?

Clearly, more is needed. We need to bring together the collective wisdom of the intelligence community, Federal aviation agencies, airline industry, airport operators, to develop a comprehensive plan for enhancing aviation security for the future.

I want to welcome Secretary Skinner for his appearance before this subcommittee this morning.

We are also fortunate to have here today two fine Senators, Senator D'Amato from New York and the distinguished Senator who has been a leader in this effort from New Jersey. We welcome also Ambassador McManaway, Associate Director of Counterterrorism in the State Department, and we look forward to the comments of the industry on security issues.

And we appreciate hearing from the victims group also this morning, established in the aftermath of Pan Am 103, allowing us to learn more from their losses.

It is Lautenberg. I do not believe I gave that name. I apologize, Frank. I was trying to say what a distinguished Senator you were and what a leader you were and I forgot your name.

And I am very happy and pleased to have my ranking member on the subcommittee this morning here with us, the Senator who is working very hard in the total arena of aviation, Senator McCain.

OPENING STATEMENT BY SENATOR MCCAIN

Senator McCain. Thank you very much, Mr. Chairman. I am also here to remind you of the names of our colleagues, and I apologize for not fulfilling my duties there.

I do also welcome our two distinguished colleagues, Senator D'Amato and Senator Lautenberg, who have both had a deep and abiding commitment and concern on this issue.

Mr. Chairman, I think you described the situation very well, so I will be brief.

This is obviously a terribly important issue, not only one that has dominated the headlines and the media of this country, but one which we are still—and I do not know how soon we will recover from the terrible tragedy that occurred with Pan Am 103.

I do believe that there is a determination on the part of the government and the American people to do everything we can to prevent a re-occurrence. And I know, Mr. Chairman, that it is not your goal in this hearing to revisit those tragic events, although obviously that will be to some degree a necessity.

I think the focus of this hearing is on trying to prevent future tragedies of this nature. I think that there are some allegations which still need to be addressed, such as that of selective notification, and that is going to have to be addressed at some point in this hearing, I believe, and in the future.

I am somewhat disturbed that our government apparently did less for our citizens than did the Scots, and I hope we can clear this up as soon as possible.

I think it is crucial that we recognize that a part of this equation that we must address is where this terrorism originates. Mr. Chairman, you and I know that there is only one place in the world that manufactures the explosive that was used in the bomb that detonated on Pan Am 103.

And it is of utmost urgency that we address airport security practices and what we are doing at the airports. It is also crucial that we go to where the root cause, where the beginning of these acts of terrorism is and where they originate.

And unfortunately, we do not see a likelihood of the cessation of some of these terrorist organizations and their activities. But I do believe that as a national policy we must be prepared to respond to acts of terror in other ways besides increasing airport security.

I mean that we must serve notice to terrorist organizations that the United States government and its people will respond to wanton acts of slaughter of American citizens.

I also think it is important to understand, on the aspect of airport security, that it will be expensive. All these new devices that will be necessary in my view to be installed in the major airports of America will be expensive. We are talking about some machinery that costs as much as \$800,000 per copy.

I think the American air passenger, which the chairman and I and our two colleagues, all of us qualify time and again as frequent flyers, that this is going to entail delays in airports. We cannot inspect baggage without delays. We cannot inspect persons and their hand luggage without delays.

And so those of us that complain bitterly, as I do from time to time, about the unnecessary, in our view, delays in airports had better stand by, because there is going to be more of them if we are going to ensure the security of our travelers, which obviously has to be the first obligation.

I think it is impossible to eliminate totally the threat to the lives and property of American citizens in airports, but I believe that the Congress and the government of the United States can do a great deal more. I think that this hearing is an important way to get that effort continuing in its momentum.

I appreciate your involvement and your holding this hearing, Mr. Chairman, and also I look forward to hearing from my colleagues.

Thank you, Mr. Chairman.

Senator FORD. Thank you, Senator McCain.

Senator Danforth.

Senator DANFORTH. I do not have an opening statement.

Senator FORD. Senator Stevens, do you have an opening statement?

OPENING STATEMENT BY SENATOR STEVENS

Senator STEVENS. Mr. Chairman, I do not want to delay this. I am on my way to another hearing.

But I read your statement. I just wanted to come by and congratulate you on that statement and tell you that I am firmly in support of what you intend to do.

I would add to your statement the suggestion that maybe we ought to put into effect a provision that would provide insurance

coverage for those who are killed as a result of terrorist activities. It would seem to me that a premium put on each one of these airline tickets to cover that type of insurance would be something that should be done.

And I am disturbed about that Warsaw Convention. That is what struck me in your statement, that the current limitation on recovery for a family that does not have adequate insurance is so limited under today's economic conditions that there ought to be some way that we could spin out of that cocoon and ensure that our people have adequate coverage in the event of the loss of a wage-earner in the family from an accident that is caused by terrorist activities.

I just stopped by to commend you. I think all of us are in favor of taking this on. And I do not want to delay my colleagues at all.

Senator FORD. Senator Stevens, you just made my day, because when a fellow that has such deep interest and knowledge would compliment me on a statement, I think it is something I will cherish for a while.

I have a statement that the Chairman, Senator Hollings, would like to have included in the record.

[The statement follows:]

OPENING STATEMENT BY THE CHAIRMAN

Last December a bomb blew up Pan American flight 103, killed 270 people, and destroyed any notions we had that airline and airport security measures are adequate to deter terrorists. Since then we have heard many stories about specific threats to that aircraft, about massive cancellations at the last minute, about botched notifications of danger, and about bungled handling of the relatives of the deceased. We've had the then Administrator of the Federal Aviation Administration announcing immediate measures to counter threats; we've had Secretary Skinner announcing more measures; and just last week Secretary Skinner came out with another series of initiatives to enhance the security of air travel.

The American public demands the highest level of safety. In response to terrorist events in 1985, the Congress enacted the International Security and Development Cooperation Act of 1985 which requires the Secretary of Transportation to assess the effectiveness of security measures at foreign airports, and to consult with the Department of State regarding threats to Americans abroad. I don't know what went wrong but something did. The U.S. government failed to protect its citizens. If the Department of State and the Department of Transportation can't do that, I wonder what their purpose is.

Today I want to hear testimony from all the involved parties including some of the victims' families and find out what happened last December. I also expect to learn what the proposals made by the Secretary of Transportation will do to assure there will be no repetition of the disaster. We are hearing now that what is needed are more security agents and lots of Thermal Neutron Analyzers—both of which will be placed at many overseas locations. It seems to me the foreign governments may have some objections, but I will wait for the Secretary of State to explain that to me.

Finally, I want to offer my sympathy to all the families of the victims—especially those who are here today. I have had the opportunity to meet with some of you and have heard from many others. I assure you I feel a tremendous obligation as a Senator and as the Chairman of the Committee on Commerce, Science and Transportation to make United States aviation system secure for its citizens.

Senator FORD. Senator Lautenberg, we will have your testimony; and then, Senator D'Amato, if you want to proceed, following him. If the panel has any questions, I hope you will stay a few moments. It probably will not be, but under the circumstance it may be.

Senator Lautenberg.

STATEMENT OF HON. FRANK R. LAUTENBERG, U.S. SENATOR
FROM NEW JERSEY

Senator LAUTENBERG. Thank you very much, Mr. Chairman, Members of the Subcommittee on Aviation.

I want to also add my compliments to you, Mr. Chairman, for your forthright statement, your commitment to do something about the situation.

What we examine today by way of the tragedy of Pan Am 103 has a much larger connotation. The families are appropriately concerned about their loved ones lost. The question that is being raised is whether or not a free country like ours can be brought to its knees by terrorists.

We have seen incident after incident that disrupts transportation, disrupts travel, disrupts commerce, disrupts relationships between countries, like grapes with Chile, with terrorists continuing to win.

And Mr. Chairman, it is essential that we have the kind of commitment that you and members of this subcommittee have to do something about aviation security, because it represents our contact with the marketplace, with recreation, with essential travel, with recreational travel. And it is time that we got on with doing something about this.

In order to do that, I think it is essential that we examine the incident that took place, the bombing of Pan Am 103, and understand it fully, which has thus far evaded the families and, frankly, evaded the Congress and the American people. We just do not have the knowledge.

It was an unprecedented assault on America and American citizens, a terrorist crime. These were not soldiers fighting in a war. They were students, returning from a semester of study abroad.

They were mothers, fathers, brothers, sisters, returning home for the Christmas holidays. Many were from my home state of New Jersey.

We have to respond. We have got to find those responsible, and bring them to justice. We have to find out what really happened, and we have to improve our aviation security system to keep this from ever happening again.

To the families and the friends of the victims of Pan Am 103, we promise to keep searching for answers. But where we have answers, we can start the process of improving security.

To his credit, Secretary Skinner has taken the first steps to make our airline passengers more secure. He has called for the installation of new technology to screen for sophisticated explosives, and he has directed FAA to tighten up its security bulletins process.

I know that you are going to be hearing from him this morning. We will surely hear more from him in the future.

But meanwhile, we in the Congress also have to act. We need to develop better technologies to get ahead of terrorists, instead of being one step behind them. As Chairman of the Transportation Appropriations Subcommittee, I am committed to give my best effort to get the funds to do the job.

But we also need better laws. I am preparing a legislative package that would move us forward on three fronts: First, improving threat assessment, notification and response; second, enhancing control of airport access; and third, improving the State Department's response mechanism.

In the area of threat assessment, notification and response, we first need to make sure that FAA has the resources to analyze and relay information quickly. We have got to beef up security bulletins. They should include not just a summary of the potential threat, but specific countermeasures to respond to those threats.

And in line with the Secretary's plan, there should be a mechanism for confirming that a bulletin has been received by the various parties, airlines, et cetera, and that the necessary action has been taken.

Mr. Chairman, we should also give the FAA clear authority to cancel flights or deny landing rights to a foreign carrier when countermeasures seem inadequate.

We also have to look at the technology we have today and what it can detect. Until we can reliably detect in checked baggage destructive devices, like the radio cassette player that destroyed Pan Am 103, we ought to restrict them to where we can find them, such as carry-on bags.

To reduce the risks of explosives being smuggled aboard an aircraft, we should also look at the possibility of forward posting Customs personnel at foreign airports. This would help us know what is in baggage before it gets loaded on a plane and enters our country.

The second area to address is airport access. The Federal law against sneaking into a secure area of an airport apparently is not being implemented as it should be. The Department of Transportation should also revisit its recent rules on airport access. I support the intent behind that rule, but the mechanism is flawed. We have got to have more uniformity.

Next, there is the role of the State Department. Shortly the committee will hear from family members about their treatment by the State Department. Now, we had their testimony in front of my subcommittee and some of the stories that we heard relayed incidents, frankly, that are inexcusable. They added further to the tragedy that these people have experienced by insulting, harsh, even cruel treatment.

Once a tragedy has occurred, nothing can bring back the victims, but the treatment surviving families received tell us something about our government. The Pan Am families deserve better than what they got.

And that is why I propose the State Department designate specific people both in Washington and abroad responsible for responding to incidents. The State Department should clearly outline procedures for obtaining and distributing information to next of kin.

Further, the State Department should provide all possible assistance in identifying, obtaining, and transporting bodily remains and personal effects.

We owe it to the surviving families, to the victims, and to all of those who travel abroad to identify problems and come up with solutions.

We also owe it to them to find out exactly what happened to Pan Am 103. They want a full, independent investigation, and I support them in that. I sponsored a resolution pending before this committee calling on the President to appoint an independent investigative body.

We still need that investigation. It is almost four months now after the accident took place.

I have spoken to Majority Leader George Mitchell about convening a special Congressional investigation, and we hope that we will have some action on that front as well. The families will not rest until their questions are answered, and neither should we.

Thank you, Mr. Chairman.

[The statement follows:]

STATEMENT OF HON. FRANK R. LAUTENBERG, U.S. SENATOR FROM NEW JERSEY

Mr. Chairman, thank you for the opportunity to testify this morning.

The bombing of Pan Am 103 on December 21, 1988, was an unprecedented assault on America and American citizens. This was a terrorist crime. These weren't soldiers fighting in a war. They were students returning from a semester studying abroad. They were mothers, fathers, brothers, and sisters, returning home from the holidays. Many were from New Jersey.

We must respond. We must find those responsible, and bring them to justice. And we must find out what really happened, and improve our aviation security system, to try to keep this from ever happening again.

In the days following the bombing, we've taken a look at aviation security. In spite of all we've learned, many troubling questions remain.

To the families and friends of the victims of Pan Am 103, we promise to keep digging for answers. But where we have answers, we can start the process of improving security.

To his credit, Secretary Skinner has the first steps to make our airline passengers more secure.

The Secretary has proposed that airlines install thermal neutron analysis (TNA) equipment at high risk airports to screen for sophisticated explosives. But, so far, DOT has left open the questions of how the machines will be procured, when they will be installed, and who negotiates with foreign governments for the rights to install the equipment. I'm sure we'll see the details on this proposal shortly.

The Secretary's proposal to tighten security bulletin procedures is more specific, and should be acted on immediately.

I'm sure we'll hear more from Secretary Skinner in the future. Meanwhile, we in the Congress must also act.

We need to continue to develop better technologies, so that we can be ahead of the terrorist, instead of always one step behind. As Chairman of the Transportation Appropriations Subcommittee, I pledge my efforts to get the funds to do the job.

But we also need better laws. I am preparing a legislative package that would move us forward on three fronts: first, threat assessment, notification, and response. Second, enhancing control of airport access. And third, improving State Department response.

In the area of threat assessment, notification, and response, we need to beef up security bulletins. Generally, they lack detail on specified action and distribution. The right people don't always get them, nor do they always respond as they should. Secretary Skinner noted this, and has taken some steps to improve the situation.

We need to make sure FAA has the resources to analyze and relay the threat information it receives.

Security bulletins should have not just a summary of the potential threat, but also specific countermeasures to respond to the threat. And, in line with the Secretary's plan, there should be a mechanism to confirm that these bulletins get the attention they deserve, by the people who need to see them. There should be a mechanism for confirming that a bulletin has been received, and that the necessary action has been taken.

That includes knowing that the pilot of an affected flight is notified, and given an opportunity to react appropriately.

Combined with this, there should be safeguards for the employee who reports an unsafe or unsecure situation, or who takes action based on a determination that such a situation exists.

Mr. Chairman, we also should give the FAA, the agency responsible for assessing the threats, the clear authority to cancel flights, or deny landing rights to a foreign carrier.

This authority would have to be used carefully, and only when it's determined that countermeasures won't be adequate to protect a flight and its passengers.

We also have to look at the technology we have today, and what it can detect. Until we can reliably detect in checked luggage destructive devices like the radio-cassette player that destroyed Pan Am 103, they should be restricted to where we can find them, such as carry-on bags, where they can be inspected by hand.

In order to reduce the risks of explosives being smuggled aboard an aircraft, we should also look at the possibility of "forward posting" Customs personnel at foreign airports.

We need to know what's in baggage before it gets loaded on a plane and enters our country. Having it inspected at the starting point, rather than at the end point, would help us do that.

Mr. Chairman, El Al, Israel's national airline, is renowned for its security. A key component of El Al's security program is the use of passenger profiles and extensive questionnaires. The Department of Transportation should promulgate regulations or orders to see such procedures implemented in security-sensitive areas.

The second area we must address is airport access.

The Department of Transportation should also revisit its rules on airport access, issued in January. The intent behind that rule is a good one, and I support it. But the mechanism is flawed. There's no requirement for uniformity among airports. This could lead to confusion and uneven levels of security from facility to facility.

Today, if I go to a department store virtually anywhere in this country, and use my credit card to pay for a purchase, the sales clerk can dial into a databank, and within seconds, pull up information on my credit. It would appear that a similar method could be used with regard to airport access.

Those having access to secured areas would be given a magnetic strip ID card, which could be read at any airport in the country. If an employee is fired, or loses authority to access secure areas, that information could be recorded through such a system instantly, just as the amount of purchases is recorded for a credit card. The technology exists. It should be put to use.

In 1987, Congress made it a Federal crime for someone to gain unauthorized access to a secure area of an airport. However, the delay in clearly defining "secure areas" apparently has delayed full implementation of that law. That must change. We should use every means at our disposal of keeping secure areas secure.

Next, there's the role of the State Department. Shortly, the Committee will hear from family members about their treatment by the State Department. I've heard the stories, and it's inexcusable.

Once a tragedy has occurred, nothing can bring back the victims. But the treatment surviving families receive tells us something about our government. These people deserve better than what they got.

That's why I propose that the State Department designate specific persons, both in Washington and abroad, responsible for responding to incidents.

The State Department should clearly outline procedures for obtaining and distributing information to next of kin. Further, State should provide all possible assistance in identifying, obtaining, and transporting bodily remains and personal effects.

The State Department has said that its initial efforts to coordinate response to the Pan Am 103 bombing was its inability to obtain the passenger manifest in a timely manner. My legislation will make it clear that State has the authority to obtain such documents, immediately.

The State Department should also explore the possibility of using machine-readable passports. This could expand the information contained on passports, and make their use more efficient.

A separate issue is compensation to victims of aviation tragedies. Currently, the Warsaw Convention limits liability of an air carrier to \$75,000, unless willful misconduct can be proven. This liability cap is clearly inadequate today.

Montreal Protocols 3 and 4 would amend the Warsaw Convention, raising strict liability to approximately \$135,000, and providing for an additional \$500 million in liability per plane.

The Administration supports ratification of the Montreal Protocols. The Senate should consider these international agreements. I'll be calling on the Foreign Relations Committee to hold hearings in this area in the future.

Mr. Chairman, these are a few of the issues that have come out in the wake of Pan Am 103. There will be more.

We owe it to the surviving families, to the victims, and to all those who travel abroad to identify problems and come up with solutions.

But we also owe it to them to find out exactly what happened to Pan Am 103. They want a full, independent investigation. I support them.

I sponsored a resolution, Senate Resolution 86, that calls on the President to appoint an independent investigating body to look into the issues raised by the destruction of Pan Am 103. Senate Resolution 86 is pending before this Committee. We still need that investigation.

The families have called for an independent congressional investigation. I have talked with Majority Leader Mitchell about this, as well.

The families won't rest until the questions are answered. Neither should we. Thank you.

Senator FORD. Thank you, Senator Lautenberg.
Senator D'Amato.

STATEMENT OF HON. ALFONSE M. D'AMATO, U.S. SENATOR FROM NEW YORK

Senator D'AMATO. Thank you, Mr. Chairman.

Mr. Chairman, members of the panel, I am delighted to have the opportunity to discuss legislation concerning the public disclosure of credible security threats. Senators Grassley, Mikulski, and Dodd are co-sponsoring S. 596, which has been referred to the Commerce Committee.

The tragedy of Pan Am Flight 103 has exposed our vulnerability to international terrorists in excruciating detail. On April 3rd, Secretary Skinner announced important steps to close the security sieve, including requirements for advanced technology explosive detection devices. The Secretary deserves credit for his rapid response to this serious problem.

It is going to take some time, though, before the Department of Transportation's new security initiatives are fully implemented. Thermal neutron analysis machines for detecting plastic explosives in checked baggage cannot be deployed overnight, especially in airports overseas. More needs to be done now to address the problem of improvised explosive devices concealed in electronic products and elsewhere.

Also, I believe that on certain high-risk flights El Al-type security procedures are absolutely essential, including extensive hand searching of baggage. Senator McCain indicated that measures of this type will undoubtedly require a new attitude for the traveling public. However, I think the public is willing to bear with this inconvenience, Mr. Chairman, if they know that this is going to result in reducing, I think, much in the way of the kinds of threats that they are now exposed to and much of the dangers.

In my view, the present policy of not informing the public and flight crews about credible threats—and I would like to again say, credible, hot crank, threats—is flawed and must be corrected. Certainly it should be reconsidered. The public and flight crews should not be flying blindly, and I believe they have a right to know.

I think that where there is a credible security threat—passengers and flight crews have a right to know. This does not mean disclosure of the tens of thousands of bits of security related information that flows through to the FAA each year. Instead, there are

approximately 30 FAA security bulletins a year that could be considered to be credible security threats.

And that is what S. 596 provides for. It provides for public disclosure of their nature. It does not, nor should it, jeopardize security-gathering apparatus. Public disclosure of credible threats does not have to reveal that kind of detailed information. It does not have to expose the security-gathering network.

I suggest, Mr. Chairman, that in those isolated few cases where a credible threat exists, the crew that is going to fly a plane that may be under target and the passengers that may be taking that plane have a right to know about the security threat.

Editorials in the Washington Post and New York Times this week have in effect painted disclosure as an "all or nothing matter." Let me make it clear once more that my legislation would not mandate the disclosure of every threat, nor would it expose confidential sources.

S. 596 focuses on the disclosure of threats that the FAA determines are credible, coinciding roughly with the 30 security bulletins issued by the FAA each year. Disclosures of this magnitude will not cause undue disruption to the aviation industry.

The tens of thousands of bits of intelligence information that are reviewed by the FAA each year will not be disclosed, because the vast majority do not result, again, in what we would assess as credible threats.

I am convinced, Mr. Chairman, that we can devise a system of disclosing potential threats to aviation without exposing our intelligence sources. The public does not need to know the nitty-gritty details of threat analysis and airline security countermeasures.

I do not recommend the widespread dissemination of the entire text of security bulletins. Instead, it is important for the public to know that a credible threat exists, with identifying information on particular flights that may be affected.

We are all going to have to live with added inconvenience, on international flights in particular. But added inconvenience is the price that we are going to have to pay in light of the demonstrated capabilities of international terrorists.

Thank you, Mr. Chairman.

Senator FORD. Thank you, Senator.

I have no questions.

Senator Lautenberg had to leave. Senator McCain, do you have some questions of Senator D'Amato?

Senator McCAIN. Just a comment, Mr. Chairman.

Thank you, not only for your involvement in this issue, Senator D'Amato, but your continuing efforts to address this and related aviation issues.

I have one question as regards your resolution, which by the way I think is an excellent one. I appreciate your initiative in bringing this to the Congress, because I think that one of the real problems with the Pan Am 103 tragedy is this situation as to whether those passengers should have been notified or not.

How in your view do you discriminate between the unfounded allegations which, as you mentioned, happen on thousands of occasions, and the one, or the 30 or so, I think you mentioned per year,

that are serious and pose a serious threat to the security of lives and passengers?

Senator D'AMATO. That is exactly the point, Senator, and I am glad that you raised that issue. We are suggesting that the analysis process continue. We are not going to attempt to tell the services, the intelligence services, how to make that assessment.

But once they have made the assessment that this is a very real threat, as they have in the past, at that point and at that time the public and the crews in the areas affected when they make this assessment should be given the right to know, so they can make the judgment.

And what will take place? Passengers are going to know that there is some threat in this area. The air industry itself is going to respond as they have never before. There is going to be the kind of extensive hand searches of carry-on luggage and checked baggage.

On certain high threat routes, I think we do ourselves a disservice not to have the kind of extensive security in operation that El Al so successfully employs.

The kinds of measures discussed here will lead to increased security, and increased public awareness, and will help prevent terrorist activity from becoming a reality.

Public disclosure will have the impact of reducing, I believe, the kinds of threats that we are now open to. I am not suggesting that we are going to eliminate all risk. However increased vigilance, security, and public notification and awareness will certainly reduce the likelihood that airlines are targeted.

Senator McCAIN. Thank you.

Thank you, Mr. Chairman.

Senator D'AMATO. Thank you very much, Mr. Chairman.

Senator FORD. I believe Senator Exon may have a question for us.

Senator, do you have an opening statement?

OPENING STATEMENT BY SENATOR EXON

Senator EXON. I have one. I will try to be brief. I want to thank Senator Lautenberg from New Jersey and Senator D'Amato from New York for coming here, as well as you for calling these most appropriate hearings, Mr. Chairman, at a most appropriate time.

The Aviation Subcommittee which you chair and which I have been a member of ever since I have been in the United States Senate is doing everything that it can. And the hearing that we had earlier this week on airline maintenance and aging aircraft was tremendously informative. It helps us make the right decisions.

I want to take just a moment, though, to thank our friends from New Jersey and New York, who serve very ably over on the Appropriations Committee.

There are some differences of opinion from time to time between the authorizers and the appropriators throughout the history of the United States Senate. I think there has never been a time when the authorizers and the appropriators have worked more closely together, as evidenced by the two witnesses that we started off with here this morning and in this particular case.

I thank you for coming over, Senator, and sharing your thoughts with us.

Just a brief amplification of that—and I am going to be extremely brief because I see the Secretary has arrived. Mr. Chairman, I know that we want to go right to him. I will have no opening statement as far as he is concerned, except to welcome him here once again.

This is a very, very important time when it is up to the Congress and all of those who have any supervision whatsoever over the airlines to bring back a greater measure of security for the traveling air public than they have right now. I would hope that during today's session, or some time today, or at the latest some time within the next few days, the authorities will be able to come out and name publicly who the individual was, or individuals, for the Flight 103 disaster.

I think there is nothing that could beef up the confidence of the traveling public than if they could be assured that in a prompt manner, using proper procedures, we can identify who the individual or individuals were. That would do as much as anything else to immediately restore more confidence than exists today.

Thank you for your help and part in that, Senator. And I have no further questions.

Senator D'AMATO. Thank you very much, Senator.

Senator FORD. Thank you, Senator. We appreciate you coming today, and we look forward to working with you on your legislation.

Senator D'AMATO. Thank you.

Senator FORD. We are now very pleased to have the Secretary of the Department of Transportation, Samuel K. Skinner. Mr. Secretary, if you will identify your colleagues for the record, we will proceed.

I appreciate your coming. You should have been here earlier. We will send you a transcript of the beginning of this testimony about the accolades that you received from the members of this committee. Take it when you can get it.

STATEMENT OF HON. SAMUEL K. SKINNER, SECRETARY, DEPARTMENT OF TRANSPORTATION; ACCOMPANIED BY MONTE BELGER, ASSOCIATE ADMINISTRATOR FOR AVIATION STANDARDS, FEDERAL AVIATION ADMINISTRATION; AND RAYMOND A. SALAZAR, DIRECTOR, CIVIL AVIATION SECURITY

Secretary SKINNER. Yes, I will totally agree with that, Mr. Chairman. I appreciate them, too.

I am accompanied today by two senior members of the FAA security program, Monte Belger and Raymond Salazar. Both of these gentlemen have been and are intimately involved in the efforts at the FAA and the Department of Transportation to deal with the problems of aviation security.

May I go ahead with my remarks, Senator?

Senator FORD. Yes, please.

Secretary SKINNER. Thank you. I have a complete statement that I would like to submit for the record, but I do welcome this opportunity.

Senator FORD. Mr. Secretary, your total statement will be included in the record as if given, and we look forward to your summary.

Secretary SKINNER. Let me give some over view remarks. I do appreciate the opportunity to be here. There is no issue that is more important to the FAA and the Department of Transportation than this issue. It has enjoyed a top priority effort of the Secretary's office, as well as the FAA.

And we have been, I would point out, Mr. Chairman, working together on this very, very important issue, each with our own areas of responsibility, but on a coordinated basis, because this area of security, airline security, requires not only expertise that the FAA provides with their specialists working with their foreign and domestic intelligence sources, but it also requires a high level working relationship between other organizations within governments at the national and international level, and the Secretary's office has been able to provide that kind of support to them.

Let me also say that I am convinced that the system today that we operate in is the safest in the world. Terrorism is a horrible problem. It is a problem that is not just isolated to American flag carriers. In fact, the majority of the destructive efforts that have gone on by terrorists have been directed at foreign flag carriers, as well as American flag carriers.

We are totally pledged to improving the system of airline security, and I believe as a result of some of our initiatives that we took last week, basically within several weeks of the investigation I began after meeting with the Pan Am 103 victims, we have taken significant steps toward dealing with this problem.

As Senator Exon pointed out, we are not going to stop terrorism by tight security at the FAA and at airports all over the world. We are going to deter it. While we are deterring it at the airports and the air facilities throughout the world, we must also make sure that those organizations charged with criminal, investigative, and prosecution responsibility are making an all-out effort to deal with the terrorists in their countries where they reside or where they have migrated to.

Working together on a national basis and on an international basis, we can put together a very, very effective program in that regard.

It is also a problem that requires international cooperation. A week from tomorrow I will be leaving for Europe, where I will visit six countries in six days to meet with the heads and sub-heads of various transport agencies, to meet with the international carriers as well as domestic carriers.

And the purpose of that trip will be to discuss with them the security initiatives we have taken recently, to encourage them to take initiatives of their own, and to find ways in which we can work together to deal with some of the problems that exist.

As you may have known, we have taken some effective steps already in the area of security. We have passenger and baggage screening techniques. We have imposed in special circumstances extraordinary security measures. We have worldwide use of X-ray and metal detection equipment. We have a very significant Federal air marshal program. We have in-depth assessments of U.S. and

foreign airport security programs, and we have tightened control of access to aircraft and security sensitive areas.

We have put a considerable amount of money into research. We have improved our ability to analyze intelligence on terrorist activities, and we have assisted those countries that do not have the kind of resources that we have in the area of technical assistance and training.

This fiscal year we are increasing the FAA's civil aviation security work force by an additional 56 personnel and have requested 120 more security positions in our fiscal 1990 budget, which brings our total security force to almost 700 people.

I do not think there is a more important program within the FAA budget than our program dealing with security and terrorists, and I am hopeful that the Congress, working on a bipartisan basis, as Senator Exon pointed out, will support this program and give us the necessary resources.

We are also accelerating the delivery of the thermal neutron analysis units we have developed in research for the last several years. Those program deliveries will be accelerated. The first one will go into New York some time within the next two or three months.

We have also made sure that the carriers serving the United States are doing what they can to secure the operations against criminal and terrorist acts. And we amended FAA Regulation Part 129.25 to require foreign airlines to submit their security plans to the FAA for acceptance. These are in the process of being reviewed and they will be commented upon.

On April 3rd, after meeting with the Pan Am 103 victims and after I sent a special team to Europe to study the situation firsthand, and after an intense internal review of our security system, and after later meeting with the President and the Pan Am 103 victims, we announced an extraordinary set of measures that we are imposing on air carriers.

These initiatives include requiring the deployment of TNA units at the busiest airports in the United States and overseas. On April 24th I will be going personally to Europe, as I have indicated, to discuss the initiatives.

We are assigning additional FAA security specialists to provide greater surveillance and assistance to U.S. carriers. That, those discussions and placement, has already begun.

In addition, we have improved the FAA's security bulletin process. We have made compliance by U.S. carriers with such security directives mandatory. We require acknowledgment by the carrier within 24 hours. And we require carriers to submit to the FAA a plan within 72 hours to show us what they have done about it.

In addition, we have elevated standards for X-ray and metal detection. We have formed the National Aviation Security Advisory Committee, which will be chaired by Mr. Salazar, which will be a forum for additional interchange and improvement of the programs.

We have conducted a top to bottom review and evaluation by FAA on how well U.S. carriers are doing in complying with security requirements, and we are discussing with foreign governments

new procedures for effective coordination of security and countersecurity efforts.

All of this is in the process of being implemented, and I believe these proposals and these programs will ensure that the safe skies are even safer.

In addition, we have re-evaluated the way we evaluate intelligence. We are working to improve our working relationships with members of foreign government intelligence units, whose cooperation we rely on. And we are also working out arrangements with the domestic and foreign intelligence-gathering organizations within our own government, to make sure that we are fully coordinated with them as well.

Let me say that, before we get into questions, I think that a lot has been done, but there is a lot to be done. It is an unusual problem because it requires cooperation both domestically and internationally. We cannot mandate, but we must convince the governments abroad in Europe that what makes sense to us also makes sense for them.

We are receiving cooperation from most of those countries and I anticipate we will receive a great deal of cooperation in the future.

Let me talk about the Administration's personal commitment to this problem. I had the opportunity to meet with the President and Pan Am 103 victims in his office several days ago. That meeting was scheduled for 20 minutes and went over an hour.

I believe the families of the 103 victims believe, because they have indicated that to me, that the President understands their concerns. And I can assure you from conversations I have had with the White House and with the President personally and with Chief of Staff Sununu that the programs and efforts that we have undertaken, as well as other programs and efforts we are considering, is at the very top of their agenda.

The President is personally committed to making sure that the system is improved to the best of our ability. He is committed to make sure that the Federal government responds quickly and correctly on this situation, and he has made that commitment to the families who were, I believe, the proper ones to have that made to, as well as to the American people.

I have no question that we will have additional improvements and suggestions as this process goes on. I believe as a result of my trip to Europe we will have additional significant announcements that will be made on a coordinated basis with those major countries in Europe.

I think we are doing everything we can to stay on top of this and, as I indicated before, there is nothing that is a higher priority on my agenda than making sure that we follow through on the commitments that the President and I have made, not only to the Pan Am 103 victims, but to the American people.

Mr. Salazar, Mr. Belger and I await your questions.

[The statement and questions and answers follow:]

STATEMENT OF THE HONORABLE SAMUEL K. SKINNER, SECRETARY OF
TRANSPORTATION, BEFORE THE SENATE COMMITTEE
ON COMMERCE, SCIENCE AND TRANSPORTATION
SUBCOMMITTEE ON AVIATION
CONCERNING AVIATION SECURITY
APRIL 13, 1989

Mr. Chairman and Members of the Subcommittee: I appreciate the opportunity to appear before the Subcommittee today to describe the Department's efforts to combat terrorist threats against civil aviation.

As the recent destruction of Pan Am Flight 103 tragically reminds all of us, despite worldwide efforts to strengthen security, civil aviation continues to be a target for criminal and terrorist acts. My Department and the Federal Aviation Administration, the State Department, foreign civil aviation authorities, the airlines and airports, law enforcement and intelligence agencies, and the dedicated men and women who are on the front lines screening passengers, checking baggage, and handling cargo have together taken tremendous strides to make the system safe and secure.

Yet, we can and must do more to thwart the cowardly and despicable acts of terrorists.

The challenge we face is a formidable one, for we live in a dynamic world where, as technology and political agendas change, so also do the threats against civil aviation. Where hijacking was once the preferred form of terrorist activity, today's terrorist has all too frequently turned to sabotage -- wantonly aimed at the total destruction of aircraft and their precious human cargo. Through the 1970s and into the 1980s, concerted action by the world aviation community stemmed the hijacking menace: there were only two attempted hijackings of U.S.-registered aircraft last year; and the number of attempted hijackings of foreign airlines was half of what it was earlier in the decade.

In the past several years, though, the world has been witness to four horrific acts of sabotage: Air India Flight 182, TWA Flight 840, Korean Air Flight 858, and most recently Pan Am Flight 103.

The primary lesson to be learned from these far flung and diverse acts of terrorism is that we must continue to build on the solid foundation of security measures built over the last decade and a half. We must continue to evolve strong yet flexible approaches that will bring our best technology, and our best people to bear on this problem. Finally, the process of

reviewing, refining, and redirecting aviation security must be continuous. We must never rest on the existing foundations of our aviation security system. We must be ready to improve them.

As a culmination of a number of initiatives over the last two decades, effective and responsible approaches are being pursued. They include:

- effective passenger and baggage screening techniques;
- imposition of extraordinary security measures in special circumstances;
- worldwide use of x-ray and metal detecting equipment;
- in-depth assessments of U.S. and foreign airport security;
- the Federal Air Marshal Program;
- tightened control of access to aircraft and security sensitive areas;
- research and development of new security techniques and detection technologies;
- analysis of intelligence on terrorist activities; and
- technical assistance and training.

Whenever necessary, we have sought additional resources to strengthen our security-related activities. This fiscal year,

we are increasing the FAA's civil aviation security workforce by an additional 56 personnel, and have requested 120 more security positions in our FY 1990 budget, which will bring the total security force to almost 700. These additional employees will help significantly in responding to international threats and to continue to improve security here in the United States.

In addition to investing in human resources, we believe that continued investment in new technologies will reap great returns for aviation security. We have been accelerating the delivery schedule of the thermal neutron analysis (TNA) units we have developed for explosives detection. This remarkable system is the result of three years of FAA-directed research on an explosive detection system designed to detect all commercial and military explosives that might be concealed in checked baggage and air cargo, including otherwise hard to detect plastic explosives.

Prototype TNA systems have already been tested at the Los Angeles and San Francisco Airports during June 1987-March 1988. Six TNA units will be delivered and placed in operation during the June 1989 to January 1990 time frame, six months ahead of schedule. We believe this unit shows great promise for effectively screening passenger luggage. Our experience in

examining over 30,000 bags using thermal neutron analysis demonstrated that it could screen baggage with a high success rate (95 percent) and a low false alarm rate (4 percent), even with minimal quantities of explosives. The first TNA system will be installed at JFK Airport in June. Research is also underway on a vapor detection system for checking people for explosives. A prototype has been tested with promising results, and we hope to have an improved prototype available for testing late next year.

We also are continuing work to develop improved weapons detection capabilities, including efforts for the detection of plastic weapons, and are conducting an evaluation of state-of-the-art detection equipment now available commercially. Further, we continue to solicit new ideas from the scientific and academic communities with a view toward identifying and developing additional tools to enhance security.

While we continue to pursue these domestic initiatives, we are also working in the international arena to develop uniform approaches to combat terrorism in the skies. As you are aware, the International Civil Aviation Organization (ICAO) already has in place a set of security standards and recommended practices, incorporated into Annex 17 to the Chicago Convention. One

hundred fifty-nine countries have acceded to that convention. We believe the measures set out in Annex 17 are fundamentally sound, but, like our own security measures, they must periodically be reviewed and updated.

About two months ago, and as one of my first official acts as Secretary of Transportation, I attended a Council Session of the International Civil Aviation Organization called specifically to address the sabotage of Pan Am Flight 103. Reflecting the seriousness with which such criminal acts are viewed, I was joined at that session by nine other ministers responsible for civil aviation as well as 23 additional countries' permanent ICAO representatives. I had the opportunity to speak with each of those ministers in the course of the two-day ICAO meeting and with many of the other senior government officials present, and can assure you that they are willing to join us to do all that is necessary to make international civil aviation secure from terrorist acts.

As a result of that meeting, the 33-member ICAO Council unanimously adopted a resolution setting out a plan of action that, I am confident, will lead to strengthened security procedures throughout the world. Specifically, as a matter of highest priority, ICAO will review existing international

standards applicable to all operations to determine what changes are necessary in light of recent events. It will also consider developing a set of extraordinary measures to put in place when increased threat levels exist. Further, we agreed to expedite research and development on detection of explosives and to explore the possibility of establishing an international regime for the marking of explosives. Thus far, ICAO is moving quickly and over the coming weeks and months, we will be devoting a great deal of attention to ICAO and its security-related work. At the same time, and to make certain we know what all carriers serving the United States are doing to secure their operations against criminal and terrorist acts, last month we amended Federal Aviation Regulation Part 129.25 to require foreign airlines to submit their security plans to the FAA for acceptance. We will use the standards and recommended practices contained in ICAO Annex 17 now, and as it is being improved, as the yardstick against which those plans will be measured. In taking this action, we will be better able to insure that the security precautions followed by foreign airlines serving the United States are adequate to meet the threats ascribed to those operations.

As you know, on April 3 I announced new aviation security initiatives after an intensive internal review of our aviation

security system and after meeting with the families of the Pan Am 103 victims up here on Capitol Hill and later in the White House with the President. I consider this the second set of initiatives stemming from the Pan Am 103 tragedy -- the first being the set of extraordinary measures imposed on our carriers by the FAA on December 29 of last year, with which you are all familiar.

The initiatives announced in April include:

- o Requiring deployment of explosives detection systems such as the Thermal Neutron Analysis (TNA) device at the busiest airports in the U.S. and overseas where U.S. airlines operate. On April 24, I will be going personally to Europe to begin immediately to consult with my foreign counterparts to ensure speedy installation of these systems where they are needed most at foreign airports, and there will be extensive technical discussions before and after that trip.

- o Assigning additional FAA security specialists to provide greater surveillance and assistance to U.S. carriers operating at the busiest airports in the U.S. and overseas. I will also be discussing the placement of additional FAA personnel with my counterparts next week.

- o Improving the FAA security bulletin process through which important security information is disseminated to the aviation community, in a variety of ways, including:
 - making compliance by U.S. air carriers with such directives mandatory;
 - requiring acknowledgement of receipt by the carrier within 24 hours;
 - requiring carriers to submit to FAA within 72 hours specific information on how they plan to carry out preventive measures; and
 - ensuring that specific information in security bulletins is distributed to pilots-in-command of airline flights.
- o Elevating standards for x-ray and metal detection equipment to assure that U.S. air carriers are using state-of-the-art equipment.
- o Forming a National Aviation Security Advisory Committee, chaired by the Director of FAA's Aviation Security Program, to

provide a forum for the exchange and coordination of security programs and research and development designed to further enhance aviation security.

- o Conducting a top to bottom review and evaluation by FAA of how well U.S. carriers are complying with security requirements. This effort will look at each airline's resources and general philosophy toward security.

- o Discussing with foreign governments new procedures for more effective coordination of security information and countermeasures. This coordination effort, along with the deployment overseas of TNA units and additional FAA security specialists, will be the third main topic of discussion during my upcoming trip to Europe, along of course with the need to ensure a successful outcome to ICAO's current efforts.

On a related subject, Mr. Chairman, there has been substantial criticism over the \$75,000 limit placed on liability recoveries under the Warsaw Convention of 1929. There is no question that the current \$75,000 international limit of liability for passenger deaths or injuries applicable in the United States is far too low. The Senate has before it the Montreal Protocols which propose revisions to the Warsaw Convention (which

prescribes such liability limitations) so that, under a supplemental compensation plan, passengers would be entitled to unlimited recoveries for economic damages in international airline accidents. Mr. Chairman, I enlist your support in the effort to secure ratification of the Protocols.

Mr. Chairman, these are not the last initiatives we will be taking on aviation security. As I have mentioned on several occasions, our security system must be reviewed again and again, and I am committed to that process.

Mr. Chairman, our minds are always open to new ideas on ways to improve aviation security. We will continue to consult with this Committee and other appropriate Congressional Committees, with our foreign allies both bilaterally and through ICAO, with all of the major U.S.-flag international carriers, and of course I personally will continue to listen to the families of the Pan Am victims. We will subject our aviation security system to a continuous and critical review. We have even formed a special team in the Department to develop and evaluate a full range of concepts on how we and the rest of the international aviation community can make the skies safer and more secure. If we find that existing programs need to be changed or augmented, or that reprogramming is needed, we will not hesitate.

Before I close, I would like to address one important public policy question that has been raised in the recent weeks, particularly -- and understandably in my view -- by the families of the Pan Am 103 victims. And that question is the government's policy on public release of threat information.

The proposal has been made that the government should let the public have more information about the threats made against civil aviation so that prospective travelers can make their own judgments of the risks confronting them and decisions about when, where, and with whom to fly. This is a question we have devoted considerable thought to over the years.

My answer is this: any time we believe that general or specific threats to civil aviation cannot be effectively countered by the security measures available to us, our airlines, and our aviation partners, we take action. We are prepared to cancel endangered flights or discontinue service altogether to and from airports and countries where our citizens and airlines cannot be assured that risks will be kept to a minimum. We work with the State Department to assure that travel advisories are issued when and where justified. And, of course, we work with the intelligence agencies to obtain, evaluate, and act on

information about threats against civil aviation. This is a process that operates continuously, regardless of whether overt or specific threats have been received. Our approach to threats is, in the final analysis, a simple one: We put the information in the hands of the aviation security professionals who can direct appropriate measures to counter the threat.

On the other hand, to flood air travelers with information on threats against civil aviation would seriously confuse everyone, and would not improve air safety, either system-wide or for individual travelers. In the United States alone there are, on average, between two and three threats made against aircraft or airports every day. The vast majority of these are anonymous threats that have no credibility; they are also threats that our security system -- especially with the improvements I have just announced -- is adequate to handle. If we add to this the numerous threats that are made against civil aviation around the world, publishing such information would wreak unnecessary havoc with the international civil aviation system. It would also increase the incentives for terrorists and other persons to make real or bogus threats, and, ultimately, would come to be largely ignored when travelers realize that virtually all anonymous threats and volunteered information are groundless.

Again, let me emphasize that when we believe an element of the civil aviation system cannot be adequately protected against a credible threat from someone or some organization with the clear intent and capability to carry out a criminal act, the U.S. Government will: 1) recommend that airlines cancel threatened services; and 2) if necessary, either cancel the threatened flights or issue a public travel advisory to alert air travelers.

Mr. Chairman, we have made significant strides in designing and developing systems to protect the traveling public, but we must remain vigilant to counter new tactics and new equipment employed by terrorists. In this effort, we look forward to the Committee's continued support.

That completes my prepared statement, Mr. Chairman. I would be pleased to respond to any questions you may have at this time.



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

June 1, 1989

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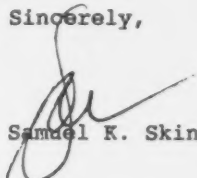
The Honorable Ernest F. Hollings
Chairman, Committee on Commerce,
Science, and Transportation
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I appreciated the opportunity to appear before the Aviation Subcommittee April 13 to set forth the Administration's actions and plans to address the critical issue of international aviation security. I have considered this to be one of my highest priorities since becoming Secretary.

Enclosed are my responses to the follow-up questions posed by Committee members following the hearing.

Sincerely,


Samuel K. Skinner

Enclosure

(FORD)

Airport Screening

QUESTION 1. Has the FAA imposed the same requirements for screening passengers and checked baggage on foreign carriers serving this country as those currently in place for U.S. airlines? If not, why not?

RESPONSE:

I recognize the challenge faced by the United States air carriers, particularly as they attempt to implement necessary security requirements in a highly competitive environment. The Federal Aviation Administration has not to date imposed the same requirements on U.S. and foreign air carriers, however, and I do not believe that the United States should now unilaterally impose on foreign airlines the requirement to follow the same extraordinary measures recently imposed on our carriers. We coordinate closely with our aviation trading partners to make certain that the security precautions followed by their airlines and at their airports are adequate to deter and deflect criminal acts. Part 129 now requires foreign airlines serving the United States to submit their security plans to the FAA for acceptance. This will make it possible to better insure that the security measures implemented by foreign airlines are adequate to meet the threat that is ascribed to their operations.

It has always been our position that aviation security is a global problem, not unique to us. While U.S. civil aviation has been a major target, the number of nations subjected to sabotage and terrorism is large, and each one is vulnerable to actions by their own specific enemies and dissident groups. We view our work with these countries, both in the context of our bilateral agreements with them and through ICAO and other bodies, to be of utmost importance in achieving the highest and most effective international standards possible. We have initiated discussions with these nations regarding improved standards, both in Annex 17 and otherwise, so that we can collectively respond to the level of risk and the terrorism threat on a worldwide basis. It is only through such cooperative efforts that we can succeed in effectively combatting the terrorist threat.

(FORD)

QUESTION 2: In July 1987, the DOT Safety Review Task Force on aviation security recommended that the FAA develop extensive employment qualification standards for screening personnel, as well as more extensive standards for the approval of airline screening training programs. What has been the FAA response to these recommendations?

RESPONSE:

The Federal Aviation Administration is working closely with the Air Transport Association (ATA) of America to develop both employment qualification standards and training standards for screening personnel. The air carriers, acting through the ATA, are particularly interested in participating in the development of these standards since they are, by regulation, responsible for adequate passenger screening. The FAA will incorporate the best features of these standards into amendments to the air carriers' approved security programs as soon as possible. In addition, the FAA has recently completed work to revise, expand, and update its training resources made available to the carriers.

QUESTION 3: The DOT Task Force also recommended that the FAA establish a time frame when older equipment must be removed from service. Is this a part of your announcement that all x-ray and metal detectors be state-of-the-art? If so, when will that retirement date be?

RESPONSE:

In response to increased sophistication of the terrorist and hijack threat as well as the evolution in the quality of metal detectors and security x-ray systems, the FAA has committed to revising its standards and systematically upgrading the quality of security screening equipment. The proposed change to the security program, including an implementation schedule, is currently being developed.

(FORD)

Security R&D Budget

QUESTION 4: It is my understanding that the FAA research and development budget for airport security is only 5 percent of the total R&D budget -- or some \$9 million. Is that sufficient to accomplish all the work that is needed for enhanced security?

RESPONSE:

Yes, the aviation security R&D program is adequately funded. The need for improvements in security systems is balanced against other safety and capacity requirements of the industry. Over half of the aviation security budget is dedicated to explosives detection, looking at both mature and new technologies. The remainder is divided between concourse security, the detection of portable hijack weapons, and systems integration which deals with physical security at the airport.

FAA Security Bulletins

QUESTION 5: Last week, you announced a revamping of the manner in which FAA security bulletins will be handled. In your view, does the FAA have adequate resources to effectively analyze and disseminate information on security notifications in a timely fashion?

RESPONSE:

We have requested for the civil aviation security program an additional 120 positions for FY 1990. These additional resources will greatly enhance our capabilities across the board, including our ability to effectively implement and manager our security notification system.

QUESTION 6: There has been a great deal of concern about the posting of a particular FAA security bulletin at the U.S. embassy in Moscow prior to the Pan Am 103 incident. What is the purpose of sending FAA security bulletins to U.S. embassies?

RESPONSE:

Diplomatic posts should be informed of information which is being given to FAA officials and U.S. carrier representatives in the post's country and/or consular district. Since the contents of these bulletins may come to the attention of airport or host government officials through airline security channels, it is important that officers at the post who deal with these matters be in a position to respond to inquiries from foreign officials. Posts receive these bulletins not as travel advisories, but as information necessary to assist them in their official responsibilities.

(FORD)

Security Access Door Rule

QUESTION 7: Last year, the leadership of this Committee wrote to former Secretary Burnley expressing our concerns with the FAA's proposed rule requiring computerized access control systems at 270 U.S. airports. While we endorse the goals of the rulemaking, we questioned FAA's knowledge of the operational complexity, sophistication, and funding of the systems, and recommended that the FAA proceed with a test program before mandating the system at hundreds of airports. Have you examined the feasibility of the final rule and have you met with airport operators and other affected parties to discuss these concerns?

RESPONSE:

There have been numerous meetings with affected parties to examine the feasibility of the rule, in addition to the analyses of the comments received during the rulemaking process. Also, FAA has held almost weekly discussions with its field elements to review their work with individuals and local airports, to resolve the problems, real or surmised, that they have encountered. The solutions to those problems have been recorded and furnished to the airport operator groups. FAA will continue to work with those organizations to ensure that the requirements are met in the most effective and efficient manner possible.

QUESTION 8: Airport operators have stated that the access control rule substantially underestimates the number of doors to be secured, and ignores the need to secure cargo facilities and general aviation facilities, nor does it consider requirements for structural modifications such as wiring, conduit and new door frames to accommodate automated systems, perimeter fencing, and asbestos abatement in older buildings. How does the FAA propose all of these additional costs, which are, in effect, required by the rule, are to be met?

RESPONSE:

The FAA's estimates of design, testing, hardware, installation, maintenance etc., were based on price quotes of manufacturers of computer card access systems. Although no such estimate can be precise with regard to a specific location, the aggregate is considered to reasonably approximate the average costs to the airport operators.

(FORD)

QUESTION 9: It is my understanding that the initial computerized access rule proposal mandated that only the doors in the terminal be linked up with the computerized access system. Is it logical to now mandate in the final rule that a fixed-base operator, or an air cargo carrier,, or even the National Guard be required to install such a computerized system?

RESPONSE:

First, the rule does not require that a computerized system be used necessarily. To the contrary, it specifically notes that operators of smaller airports may be able to meet the requirements of the rule with minimal or no computer-assisted hardware installation. The FAA has provided airport operators with a draft Advisory Circular that helps to clarify the intent of the final rule. That circular specifically addresses this question.

(KASTEN)

QUESTION 1: Following up on your response to my question at the April 13, 1989, hearing, testimony has been given to the House Public Works and Transportation Aviation Subcommittee that in order to deliver a maximum of 100 TNA units in 1990, a commitment must be made by June of this year for the purchase. A six week window exists if your announced schedule is to be met. How do you plan to fulfill your pledge and meet the deadline?

RESPONSE:

The FAA is expected to prepare a proposed rule by mid-June which would require the air carriers to deploy explosives detection systems as expeditiously as possible. Procurement of the system by the air carriers would begin when the rule is adopted but, in the interim, carriers can announce their intention to invest in TNA.

QUESTION 2: What is the priority of where -- domestic and/or international airports -- to place the TNA units when they become available and how was the priority established?

RESPONSE:

The TNA units would be placed at both domestic and foreign airports where U.S. air carriers operate. Priority would be given to the higher-activity airports overseas and to major international airports in the United States. Cooperation of local authorities in authorizing installations at foreign airports would also be a factor. It would, of course, be inadvisable to be too specific in specifying the exact criteria for placement, because of the information this would provide about security assessment methodology.

QUESTION 3: Until the number of units available are sufficient, how will you optimize coverage where there are multiple American flag carriers?

RESPONSE:

It is expected that resources will be shared by the carriers. Every attempt will be made to provide a maximum level of coverage given the available resources. Alternative technologies would also be used, which may be less efficient and more labor intensive, until adequate quantities of automated systems are available.

(MCCAIN)

QUESTION: You have given us a cost for the TNA machines on a per passenger carried basis. Could you give us an estimate based on international passengers carried by domestic airlines?

RESPONSE:

Installation of 100 TNA systems at the busiest U.S. and international airports would cost passengers, over a three-year period, an extra \$1.00 per person each year, based on annual international enplanements by domestic carriers.

Senator FORD. Thank you, Mr. Secretary.

It has already been mentioned earlier that hopefully a successful manhunt would bring about the capture and identification of the organization that planted the explosive in Pan Am 103.

It is this Senator's understanding from the news last evening and from today's "New York Times", quoting a CBS news report, that identification has been made, entrance gained into the headquarters, and cassette recorders similar to those found in the wreckage of Pan Am 103 were found. And they name names.

Can you tell us if that news report is accurate?

Secretary SKINNER. Senator, one of the concerns that I have expressed, not only to this committee but to other committees, is that during the investigative phase of an investigation we get various reports on various things that may be happening and may not be happening. I am not in a position to comment, because of the confidentiality of the information, as well as the fact that some of the information I receive secondhand, because the primary investigative authorities involved in this have investigations going on, as you know, in Europe, in Germany, in England, as well as some investigation in the United States, working with not only the FBI but with Scotland Yard and the police authorities in Germany.

I do know that they are working on this with full cooperation across the board. I have had—in the past I have seen announcements made from Europe that are speculative in nature, that have turned out not to be correct.

So I am very sensitive to disclosing what we do know, and frankly some of the things are not at our level. I do know it is going on. I do know that they are making progress. But the level of the progress—I do not mean to be evasive, but the level of the progress is just not appropriate to discuss.

I hope and look forward to the day, I might add, that we can have that discussion in the near future.

Senator FORD. Mr. Secretary, I admire your ability to express your no comment.

I think we all, as I said earlier, applaud you for initiating the series of steps to be undertaken in response to Pan Am 103. It appears that not only are you exercising your prerogatives and authority as Secretary of Transportation, but it appears that you are getting your plate full early on in your administration.

The writers and TV personalities gave you the award for being the best individual for this Administration in the first three months. Again, I tell you, as I did earlier, take it when you can get it. A day will be coming.

Secretary SKINNER. I have certainly been the busiest. I do not know that I agree with them on the "first" rating, but I think it is hard to find anybody that has had more to do.

Senator FORD. Well, I think you need to accept it. I do not know that they will give you an Emmy or anything.

Secretary SKINNER. This is my tenth Congressional appearance in two months, so I might be on the road to one.

Senator FORD. Just promote your book. You will be all right.

It is my understanding that the Administration will oppose efforts to use the airport and airway trust fund to pay for new secu-

rity measures including the explosive detection devices such as the TNA, and the airport computerized access control systems.

Mr. Secretary, how do you propose, or how does the Administration propose, that these systems be paid for?

Secretary SKINNER. Well, the airlines currently have the flexibility to impose a security tariff on their tickets. This generates a considerable amount of money. That money is supposed to be made available to the airlines for the purpose of security-related measures.

I think a number of them are imposing them and that money is being generated, and it is out of that pool of money—I would call it the informal aviation trust fund—that we anticipate these devices will be paid for.

Senator FORD. Now, let me understand you so there will be no misunderstanding. It is my understanding that the airlines now have the ability to add a security tax to their fares, and that some are imposing that security tax.

Does that money go to the Federal treasury to be held for later use, or does that go into an airline's treasury? Where does that money finally end up?

Secretary SKINNER. First of all, most passengers leaving the United States for overseas destinations on U.S. airlines are paying a five-dollar, or ten-dollar round trip, tariff on the price of their ticket. That goes to the airlines.

The airlines have custody of those funds. That is not a government-controlled fund. That is an industry-controlled fund.

We believe that ten-dollar round trip tariff on their tickets can cover the costs of security measures, and that is under the control of the airlines.

For instance, in the case of TNA, we believe air travelers would be willing to bear the additional costs to ensure their safe flight. Acquisition of 100 TNA units at the busiest airports would cost passengers over one year an extra 20 cents on the price of an airline ticket, assuming passengers on all U.S. carriers pay the increase.

So we do not think that the cost of safety for 100 TNA units, for instance, given the amount of tax and tariffs that are already being collected, is extraordinary.

I might add that we have spent some \$60 million of Federal aviation funds for the development of TNA. We will continue this year to spend \$9.1 million in Federal funds for additional research.

But there comes a point where the research translates into devices that can be implemented, and at that point we believe that the burden should shift to the industry through use of the industry security tax fund.

Senator FORD. Mr. Secretary, does that money include then the airport computerized access control systems?

Secretary SKINNER. No, it does not. I might ask that Mr. Salazar answer that question.

Senator FORD. Mr. Salazar.

Mr. SALAZAR. Yes, sir. The tariff or security charge for the airlines is not sent back to those airports.

Those automated access systems that have been proposed, sir, would be eligible for airport improvement program grants.

Secretary SKINNER. So they would be eligible as they are implemented for reimbursement from the trust fund, at the discretion of the Administrator.

Senator FORD. Does that include the chain link fence around the Air National Guard?

Mr. SALAZAR. Well, absolutely, sir. Any security improvements that are contained within an airport operator's approved security program are eligible for AIP funding.

Senator FORD. All right, I just want to be sure that we are on the same track.

I will have some additional questions. You know, in 30 seconds I usually ask a right question, but if I wait 30 minutes I ask a wrong one.

Secretary SKINNER. Old adage of a trial lawyer: Do not ask that extra question.

Senator FORD. I understand, but since I am not a lawyer I play it by ear, and do not carry any hay to a dead horse.

Secretary SKINNER. Meaning lawyers do.

Senator FORD. Yes.

Mr. Secretary, you have been involved to an extraordinary degree in the aftermath of the Pan Am 103 tragedy and have been out front with the initiative to try to assure that it will not happen again. What will your future role be, now that you have made these initial initiatives on an international basis?

What I am concerned about and interested in, the last question, part of it, is your future role in the FAA's civil aviation security program.

Secretary SKINNER. Well, let me tell you what we have learned as far as process, because I think that goes to the question of process. Number one, we do have a considerable amount of resources dedicated to the FAA's security effort. They are working both in this country and abroad. They now have an ongoing working relationship with the Secretary, who is personally involved, as is the President, in this problem.

We have and are in the process of scheduling every two weeks, meetings of our Secretary-FAA task force to continue to view not only new programs, but the implementation of those programs we have announced. I am personally very concerned that we not make an announcement and then fall flat on the delivery.

Number two, I also am aware that, if we are going to implement many of these programs, we are going to require the cooperation of people at the highest levels of foreign governments, and that cooperation can best be obtained through my efforts and the efforts of the Administration.

I might add on that point that President Bush has assigned General Scowcroft to work on the intelligence aspects of this problem personally, and he attended the meeting.

So we will be coordinating with the FAA on biweekly meetings. They will be deploying their assets immediately and reporting to me on a regular basis.

And then of course, we will also be working with the ICAO organization that I met with in Montreal in February on the implementation of additional security measures on an international level at 33 countries that are members of ICAO.

Senator FORD. I still have some real problems with the IAA policy on security as it relates to the airport itself. Often these are other entities, other facilities that are beneficial. Take, for example, the Air National Guard, that is an industry in a lot of places, as you well know. I want to be sure we do not fence them off to where we have to build a new entrance and do a lot of other things that create additional expense.

And then the computerized doors, I watched a little three year old go out one at an airport Monday morning, and I am not sure how good they are at the expense that they are charged. The beep went off, I understand that. But she went out the door.

So I want to be sure that these computerized doors work properly and they function if we are going to create that kind of expense. What we are talking about is secure security, and that was not very secure in my opinion.

Secretary SKINNER. I would just say I agree with you. I think that part of the program, it is going to require a lot of attention. It is a very complicated system that has to be implemented.

And as you know, the airport operators and owners have made some very significant observations that we have to learn from. So I think that is going to be an evolving process.

Senator FORD. Mr. Secretary, I hope you will listen to the airport operators. They are responsible for not only paying off the bonds that were issued to build the new airports, along with our help, they are responsible for operating it efficiently and in policy with the local community, and they have the on-line experience. So I am very pleased to hear that you will be working with them.

Let us talk about foreign airport security for just a moment if we can. The ATA alleges that only ten percent of FAA security forces are dedicated to Europe, the Middle East, and the Far East, but that 90 percent of the terrorism occurs in these areas.

And why is that and where will the new positions that you have asked for be located?

Secretary SKINNER. Let me ask Monte Belger, who heads that entire program, to comment on that. I think I would only observe that the exact location I would be more than glad to share with the committee in confidence, but the exact location, how many people, and who they are going to be, I do not want a public record. So if we can work something out along those lines, we will give it to you.

But other than that, he can give you an overview.

Senator FORD. Mr. Secretary, I have always been one who could work things out.

Mr. Belger.

Mr. BELGER. Thank you, Mr. Chairman.

In addition to the small number of people that we do have physically stationed in Europe, nearly all of our inspectors in the United States are used and trained and conduct foreign airport assessments.

I would say that roughly well over 80 percent of our inspector staff based here in the United States we use to conduct airport assessments. We do not just rely on the people that we have stationed overseas.

The 120 additional positions that we have asked for in our 1990 budget, some of those will be air marshals, some will be security

inspectors who will do the full range of security activities. As the Secretary announced last week, we will be assigning I think a substantially increased number of inspectors to overseas locations.

Senator FORD. Well, let me ask you this question. GAO concluded that the FAA does not test or validate the effectiveness of security measures at foreign airports. Do you find this satisfactory, and what could be done to improve FAA's efforts in this area?

Mr. BELGER. Well, we agree with the two recommendations in the GAO report. We have already started activities to follow up on those recommendations. We will be, in the course of our airport assessments, to the extent we can reviewing the host country's procedures for testing the screening system.

We will also be making some very specific recommendations about the training needs and requirements that we see when we conduct the airport assessments. So I think those are responsive to their two recommendations.

Senator FORD. The other recommendation was the evaluation or assessment of the results and so forth.

Mr. BELGER. Yes, sir.

Senator FORD. My other colleagues will have some questions and I will have some for the Secretary in writing.

But let me ask this question. There has been—you know, there is always a reaction and a lot of suggestions, and some are very good and some are not quite so good.

There have been several suggestions that the Federal government should take over the responsibility of screening airline passengers, essentially creating a Federal security force. What are your views as it relates to this suggestion?

And are you satisfied with the current system of using contracted people, some would call them low-paid, very poorly trained people, at the gates?

Secretary SKINNER. Well, first of all, recognize that the security force at the gates that was initially put into place was to deter hijacking. And it has been very effective. That work force, working with X-ray equipment, with rare exception has basically prevented the rash of hijackings that we saw early on.

That work force must now be trained and to some degree upgraded to deal with a new problem, and that is the problem of terrorism. We believe that the work force should be upgraded, we believe that they should be better trained, and they should be trained for this new mission, and that to the degree the FAA can continue to help in that aspect we will do so.

At this point, we do not believe it is necessary to nationalize the security work force of every point of departure in the United States. And I might add, the complications of nationalizing that work force abroad are immense.

In some cases, the airports and the governments are taking a greater role and responsibility in that, in others they are not. So what we have really got to do is upgrade the work force. Nationalization is not necessarily the answer.

The answer is to have a better work force, and we believe working with the private sector right now is the best way to do it. But if that does not work, that is always an option.

Senator FORD. I yield now to Senator McCain for questions.

Senator McCAIN. Thank you, Mr. Chairman.

Thank you, Mr. Skinner. We certainly are seeing a lot of you.

Secretary SKINNER. Too much.

Senator McCAIN. It is amazing how time flies when you are having fun.

I have been asked by Senator Kasten to ask you about the TNA. The TNA devices are very state of the art and very expensive. Senator Kasten understands that no orders have been placed to date, and there is the question of who bears the cost of implementing the program.

What arrangement do you have with the producer of this equipment to ensure that we can realistically hope to deploy 100 units in the short time frame mentioned?

Secretary SKINNER. Well, first of all on the funding issue, we have indicated that the funding we believe should be paid from the security tax. When it was necessary for you to step out, Senator Ford asked that question.

Number two, the FAA has placed orders for six. We have had discussions with the current manufacturer on his ability to produce more. Mr. Salazar may give us a better answer on that. And we are also in the process of getting the technology available so that others can bid on it.

And Mr. Salazar, you may want to comment on Senator McCain's question.

Mr. SALAZAR. Senator McCain, the production of the thermal neutron analysis system is a very high tech venture. We have been in close consultation with the manufacturer. It is one single manufacturer in the United States, I might point out.

They assure us that, given the correct incentives, they could produce as many as 100 of these units a year.

Senator McCAIN. So you are confident that you can have those units deployed within the time frame that you have discussed?

Mr. SALAZAR. I believe, sir, that when we begin, as the Secretary has announced, certainly our efforts to require the use of explosive detection systems, that will be the clear indication, sir, that we require the quickest deployment of these systems at the busiest airports.

Secretary SKINNER. And Senator, let me just add to that response. I think as big a problem as getting production of these is getting people trained and getting foreign governments ready to accept them. That is one of the major purposes of my trip to Europe next week, because we could end up having 50 or 100 units in a warehouse because the governments of X, Y, and Z country for one reason or another do not want them in there.

And they are devices that require licensing, they require licensing in this country. So it is—this is not an effort that is going to go easily. Just because we announce it does not mean it is going to happen.

We are just beginning this venture, in my opinion. It is a first step, but we are still uphill on this.

Senator McCAIN. Mr. Secretary, on the institution of the so-called closed loop dissemination of security information to the airlines, who has what responsibility under the various scenarios?

In other words, who is ultimately responsible for deciding what information goes to the carriers, what response the carriers must employ?

Secretary SKINNER. Maybe Mr. Salazar could answer that in precise steps.

The initial assessment is a FAA assessment. It is the disseminated to the government security entity in the country in which they are located.

Senator MCCAIN. Let us just focus on the United States.

Secretary SKINNER. There are some additional changes. Go ahead, Ray.

Mr. SALAZAR. I think ultimately, sir, in response to your question, it would depend on the source of the information ultimately as to the release of that information. Much of this information is very sensitive.

Secretary SKINNER. No, I think his question goes to—

Senator MCCAIN. Who decides—

Secretary SKINNER. Yes, who it goes to and when, and what response they are required to make.

Senator MCCAIN. Who decides if it is a credible piece of information and then decides what response the carrier should make?

Mr. SALAZAR. Within the Office of Civil Aviation Security, sir, we have a staff of professional analysts. The FAA, as I am sure you are well aware, sir, is an intelligence information user. It has no active nets or cells of that type and it relies upon the intelligence community to give us the most current information.

Our analysts then, this staff, will then assess the threat against civil aviation. It is an active, ongoing discussion in my staff, and ultimately the decision to issue a bulletin is one that is signed out by me, sir, and coordinated through the upper management of FAA.

Senator MCCAIN. So you, Mr. Salazar, make the decision that it is a credible threat and therefore should be disseminated?

Mr. SALAZAR. Well, assisted, sir, I might point out, certainly by the intelligence community.

Senator MCCAIN. I understand that.

Mr. SALAZAR. We rely heavily on their assessment.

Senator MCCAIN. I understand who assists you. I want to know who makes the final decision.

Secretary SKINNER. Mr. Salazar, after consulting with the Administrator and, if necessary, the Secretary, makes the decision.

Senator MCCAIN. Okay. And do you also contemplate that you would indicate to the carriers what procedures or what steps they should take?

Mr. SALAZAR. Absolutely, yes, sir.

Senator MCCAIN. And you would expect those to be enforced?

Mr. SALAZAR. Yes, sir.

Senator MCCAIN. I understand your opposition, Mr. Secretary, to the so-called hot line. But once Mr. Salazar with the advice, assistance, et cetera, of everyone, makes this decision, do you not think it would be appropriate at that time to have a hot line to disseminate Mr. Salazar's decision?

Secretary SKINNER. No.

Senator MCCAIN. Why not?

Secretary SKINNER. Because, number one, you have got to look at—you have several problems. Number one, the source of the information. The source of the information——

Senator McCAIN. If I may interrupt, Mr. Salazar has already decided that.

Secretary SKINNER. Well, that the source of the information is credible.

Senator McCAIN. Yes.

Secretary SKINNER. The question is, and the most important thing is obviously, to ensure the safety of the flight.

A second consideration is also the protection of the source of the information. Senator McCain, you know, with your service in the military, the importance of intelligence and the importance of sourcing of intelligence in an ongoing basis. x

If we were to disclose to the public the sense of the information, which in many cases we would be required to do so in order to flush out the threat, so to speak, that source of information would dry up.

Number two, the best way to deal with the situation is not to cancel every flight on every threat or perceived threat, but to deal with that threat by deterring that effort by doing the necessary work through the airline, with the airline, and with the security people in the country that is involved to make sure that does not occur, and hopefully to apprehend the culprits.

You know, one of the problems is we have not apprehended terrorists to the degree necessary and therefore they continue to do their work.

And if we announced that British Airways Flight 4 is the subject of a threat, then that threat—there is nothing magic about British Airways Flight 3 or 4. They can move to Air France Flight 3 or 4, and the public announcement of that information is just going to move them, give them notice that we know, have them question how we know, and then have them move the threat to a new airline on short notice, where we will not have the security information necessary to deter it.

So there is no compelling reason at that stage. And we believe that you can still communicate a threat assessment in a security bulletin to selected security people at an airline and selected security and enforcement people in a country, and still not have the information become public, thus jeopardizing the source and creating chaos with the airlines.

Senator McCAIN. How do we reconcile that position, which I certainly understand, how do we reconcile that position with the public's right to know, the person or persons who are going to get on that airliner?

Secretary SKINNER. Well, it is a balancing that has to go on, and when it comes to a point in time where it is so severe then the public will know.

But to let them know of some 800 threats a year we receive—I will give you an example of one. I will just couch it. An event happened last week. Immediately a phone call came in claiming responsibility for this event, that turned out to be totally false.

Now, that was just a crank. That crank, if we would allow cranks' information to be disseminated to the public, we would,

number one, accomplish a complete disruption of air traffic; number two, we would lose the ability to apprehend them.

And more importantly, people would begin to take these threats that turn out to be unfounded for granted, and then when a serious one comes in they would ignore it, because they have received—you know, it is the "boy that called wolf" syndrome.

So you have got to balance it. It is one of the hardest, in my opinion, jobs in government, because you are doing, you are trying to do your best job in assessing it under all these parameters. There is no easy answer to that.

And you have just got to make sure that the source of the information, the evaluation of the information, is all as solid as it can be, so that when you make your threat assessment, issue your security bulletin, and cancel the flight or issue a travel advisory, which the State Department would do, you have done so with the best of information.

Senator McCAIN. I understand, Mr. Secretary, and I appreciate your argument. I believe that the America people have to be satisfied that they will be informed as well in the event of a credible threat before they get on board that airplane.

And I am not sure we have formulated a clear enough policy to make sure they have that assurance at this time. And I recognize your well-made point that there is a very careful balancing act here.

At the same time, we certainly do not want a situation to arise where there is a credible threat to the safety of those people and they are not informed that that credible threat exists.

Secretary SKINNER. Well, I think we all understand the problem. I think we are going to have an honest disagreement to some degree. And I will tell you, I do not believe this is something you can legislate.

Senator McCAIN. I agree with that.

Secretary SKINNER. I do believe it requires a constant assessment. And to mandate standards that are going to be followed, in many cases they are standards we are going to follow anyway. But if you go too far, you require decisions to be made as a matter of law that are not in the best interest, not only of the traveling public, but of the other areas as well.

Senator McCAIN. Thank you, and I have several other questions, but I know that the time of the committee is limited.

I would seize this opportunity, if I might, to employ an unfair tactic that committees do from time to time, and that is ask you a very brief question on an unrelated issue. And that is, in light of what seems to be failed negotiations as far as Eastern Airlines is concerned, is concerned that we will see a continued shrinkage of the number of major airlines in this country and therefore a return to de facto reregulation?

And is there anything that anybody can do about this?

Secretary SKINNER. Let me say that, yes, I am concerned.

Number two, there is no one in this room that is any more disappointed than I am that those negotiations seem to have broken off at this point. I spoke with Mr. Ueberroth earlier in the week and indicated to him that he, consistent with the law, would have the full support of the FAA and the Department of Transportation on

the fitness and financial reviews required to operate that airline; that we were obviously concerned about safety as number one, but we were also concerned about getting him in the air.

And I was disappointed to hear that that broke off. I am still hopefully optimistic, through no special knowledge, that that still may not be the final answer. If Eastern Airlines is no longer a viable competitor, all of the American traveling public will lose.

We have a task force that I appointed shortly after I became Secretary, that is looking at all aspects of competition, including several issues that are of concern, that your office has indicated have interest to you. They have a preliminary draft that they are beginning to form for me as to what actions we can take at the Department of Transportation and the FAA to ensure competition.

I am pledged to do what I can to ensure, grow competition. I would be delighted if somebody else would come in like, I might add, somebody like your friends, people, your constituents in Arizona, America West. I would like to see a company like America West, who had indicated an interest in Eastern earlier. I would hope that they would come in and do get interested in this.

The more players we have on the field, the more competition we are going to have. And the Department of Transportation is going to analyze our options and then we are going to, if proper, take whatever options are necessary to ensure competition.

And I think that may be a slight departure from my predecessor. But without criticizing their decisions at all, the situation is different today than it was six years ago.

Senator McCAIN. Thank you. Thank you, Mr. Chairman.

And Mr. Secretary, we appreciate your candor and your cooperation with this committee. We think we have got a very good relationship and I am sure it will continue.

Thank you, Mr. Chairman.

Senator FORD. Senator Exon.

Senator EXON. Mr. Chairman, thank you very much.

Mr. Secretary, you have received a lot of accolades. I will not take time except to say I agree with most of them, and thanks not only for your attention to these major matters, but also with regard to the considerable assistance that you have given the new Secretary regarding to more mundane matters, such as essential air service and Amtrak and others, that we were stonewalled on in the past. I think you were very wise in doing that.

Secretary SKINNER. Senator Exon, could I just comment on that issue, because this gives me an opportunity. I made a commitment to the committee to work with a number of members of the Senate and the House on that problem. That problem is coming to a head pretty soon here.

As I indicated, we deferred the decision on cutting back the program because the appropriation was \$6 million short. So anything anybody who is interested in essential air service can do to help on that problem should be done now. I think we are running out of time. And unfortunately, if we do not get some resolution soon, I am going to be up here telling this committee that I am going to have to eliminate the entire program because there is no funding left.

So that problem, we are trying to work with the appropriations committees, but you and I have had that discussion. It is still a very, very significant issue which we all need to worry about.

Senator EXON. Oh, you did not make a commitment that you have been widely quoted as making, with regard to the fact that you will see that the essential air service program is funded without any interruption whatsoever for the rest of this fiscal year?

Secretary SKINNER. No, the commitment I made is I would work with the House and Senate to get the necessary reprogramming of funds. But there is nothing I can do under the law to solve that problem.

And everybody, Senator Byrd and Congressmen Whitten understand that, that if we are going to solve that problem we either have to have a reprogramming or an additional appropriation. And I have worked with those committees in finding the necessary reprogramming money. It is now up to the House and Senate to do that reprogramming. I cannot do it on my own under the law.

Senator EXON. Thank you.

Senator FORD. Let me interrupt my good friend.

It is my understanding—correct me, Mr. Secretary—that the House has started its markup on the supplemental and there is no money in the supplemental for essential air service?

Secretary SKINNER. That is correct.

Senator FORD. So it would be up to us.

Secretary SKINNER. Right, unless the full committee adds it. But right now essential air service was not dealt with in the transportation supplemental that went through the House Transportation Appropriations Subcommittee.

Senator EXON. Thank you, Mr. Secretary. You cleared up something. You have been evidently misquoted or misunderstood by sources other than this Senator, with regard to that. I am glad you cleared it up.

What I started to say also is that thank you for your Amtrak understanding. You are at least trying to go along with us on these things and you have signaled an indication of cooperation, and we appreciate that.

Let me move on to the subject at hand. I want to ask about these new devices that I understand at the present time cost about \$800,000 each, called a TNA or a thermal neutron analysis devices.

And you can only make, as I understand your testimony this morning, about 100 of those in a year's time. That sounds like a very slow process to me, given the threat. Is this a device that is protected by patent rights?

Secretary SKINNER. No, it can be licensed. The FAA has put a lot of the research in. It has the access to the licensing.

The problem is production. These are big machines. They require a product to do the analysis. Besides just metal and conveyor belts and equipment, they require certain product, chemical products. And their availability is staggered over a two year period.

There are a lot of things that can be done while we are waiting for the full deployment of TNA equipment, many of the suggestions that we have made already, and we are in the process of developing some. Security will not stand still while we are waiting for

implementation of TNA. It is just one of many answers to this problem.

But right now the product that is required is the thing that probably slows up the production cycle to 200 in two years.

Senator EXON. But TNA is the latest state of the art, the best we have knowledge of as of now, is that correct?

Secretary SKINNER. That is correct. I visited the FAA lab in New Jersey with Senator Lautenberg and I think he and I reached the conclusion that there are other things we are looking at, but right now that is state of the art technology.

Senator EXON. And you believe that, regardless of whether or not we put additional resources in, that 100 of those is the most that we could expect in the next year?

Secretary SKINNER. I might ask Mr. Salazar to amplify on my answer.

Mr. SALAZAR. Well, only, sir, that the technology thermal neutron analysis is designed for the inspection of baggage and cargo.

Senator EXON. Yes.

Mr. SALAZAR. We have other technologies that are advancing as well and we have great expectations for the detection of explosives on people and in carry-on baggage as well. That is the vapor detection technology, sir.

Secretary SKINNER. But TNA for baggage and cargo is the state of the art. And once we get moving, once there is an indication that we are going to move into a full production and that there is a multi-million dollar market out there, we believe there will be additional interest from additional manufacturers, and we will move quickly to the next generation state of the art.

Senator EXON. Let me move on then to another subject matter. I recognize, since I work in sensitive areas all the time, you cannot say any more probably than what you have. I took it, though, from your answers, and given some of the information that myself and others have received, that we indeed know who at least some of the people were who were directly responsible for the disaster on Flight 103.

Is it safe to assume that your trip, six nations in six days in the immediate future, that a formal announcement in more detail on this subject could be anticipated in conjunction with your visit to Europe?

Secretary SKINNER. No. The purpose of my trip is not to check on the progress of the investigation of the Pan Am 103 terrorists, but to begin and follow up on my discussions at the ICAO conference on the implementation of additional security measures.

One is to detect who did it; the other is to detect and deter future terrorists. My effort will be to detect and deter future terrorists, not to detect those that committed this act. That is not in my responsibility. That is primarily the FBI, and Scotland Yard working with them.

Senator EXON. Certainly, though, the FBI and Scotland Yard working with them must advise you to some extent. But you cannot tell us today anything more than you have about when we could get out this critically important information that I referred to earlier it would do as much as anything else to convince the

traveling public that we are more on top of this situation, as they would like to see?

Secretary SKINNER. Let me say that, no, I cannot give you such information. But I can tell you that, to the degree intelligence information is gathered during their criminal investigation of the crime, that information is being shared with the intelligence community, so that we can use anything we learn there to deter it in the future.

And let me also tell you that the President and General Scowcroft are personally committed to make sure that every investigative agency of the government, including the FBI, cooperates fully with everyone else on this issue.

Senator EXON. I realize this question puts you on the spot a little bit, but you are a man that does not seem to mind being put on the spot.

Recognizing that hindsight is perfect 20/20 vision, with regard to the Pan Am 103 crash, would you give me your judgment today, given what you know now, on whether or not a general warning to the public should have been instituted at that time, given the fact that at least State Department personnel and the FAA did seem to have alerted the airlines to the threat and the same type of explosive device that was used?

Secretary SKINNER. Let me see if I can answer that. I do not mind answering that question to the degree I can.

First of all, from everything I have seen there was no specific information that led one, could lead anyone to the conclusion that Pan Am 103 specifically was going to be the target of an attack.

Number two, the information that we have seen talked about in the newspaper concerning a threat to a possible Pan Am flight has been discounted as non-credible by a very thoughtful process.

The information that has been gathered and discussed in the newspaper concerning devices similar to those that may have been used in the Pan Am 103 was disseminated to the industry in quite a bit of detail. More detail was available that was not disseminated, but a great deal of detail was disseminated. And that information and those devices were never directed towards any particular flight.

The posting in the Moscow embassy by the State Department official was in violation of State Department and Federal regulations. These regulations have been re-promulgated, if that is the right word, and there is one standard, and that standard is if it is significant enough to advise government employees regarding travel, we advise the American people.

But all of that does not make a whole lot of sense when you look at it in a big picture. It looks like we had all kind of information that directed threats towards 103 and Pan Am and flights to the States that were credible. And that does not appear to be the case.

Senator EXON. One followup and related question, and I may have some questions for the record. Would Flight 103 have been cancelled under the criteria that you and the Department have since developed, that you describe the flight should be cancelled "when a specific and credible threat to civil aviation which cannot be countered appears."

Secretary SKINNER. I do not believe that—the answer to this question is no, that the level of information and the credibility of the information that has been so widely discussed in the newspaper was not of a sufficient nature to warrant the cancelling of 103.

Now, I know, because I have met with them on several occasions and I think I relate to them and their concerns, I know that is very difficult for the families of 103 to understand. And I am not covering up anything. You understand perfectly, that is my candid, honest assessment of the level of information we had and what would have been done under any reasonable scenario with that level of information.

But I understand that there are a lot of people who do not share that view, and I respect their view. I hope they will respect mine.

Senator EXON. Mr. Secretary, we are not always going to agree, but at least I like the straightforward, answers that you give to questions, and at least we appreciate it very much and thank you for that. Thank you.

And thank you, Mr. Chairman.

Senator FORD. Mr. Secretary, I will have several questions to you in writing and ask if you would respond in a timely manner. And two of those questions will pertain to the security access door rule and the leadership of this committee as it wrote the former Secretary and got stonewalled. And it is such a fresh breeze going through here that it is almost sweeping us off our feet.

Secretary SKINNER. I hope the honeymoon continues for 4 years, sir.

Senator FORD. I do not know whether we could stand it.

Secretary SKINNER. I assure you I can. [Laughter.]

Thank you very much.

Senator FORD. Thank you for bringing both of your associates with you. You did very well this morning. We thank you.

The next witness this morning is Ambassador Clayton E. McManaway, Jr., Associate Coordinator for Counterterrorism from the Department of State. Ambassador.

STATEMENT OF HON. CLAYTON E. McMANAWAY, JR., ASSOCIATE COORDINATOR FOR COUNTERTERRORISM, DEPARTMENT OF STATE, ACCOMPANIED BY MICHAEL M. MAHONEY, DIRECTOR, CITIZENS EMERGENCY CENTER, CONSULAR AFFAIRS BUREAU

Ambassador McMANAWAY. Thank you, Mr. Chairman.

Senator FORD. Will you identify the gentleman that is accompanying you to the witness table, please, sir.

Ambassador McMANAWAY. Yes, sir. My colleague is Mr. Michael Mahoney from the Consular Affairs Bureau of the Department of State.

Mr. Chairman, I have a full statement——

Senator FORD. If you will wait just a minute. It never fails with either one Administration or the other. More people leave with the Secretary than came for the hearing.

[Pause.]

Senator FORD. Now, Mr. McManaway.

Ambassador McMANAWAY. Thank you, sir.

Mr. Chairman, I appreciate the opportunity to appear here before you this morning. I have a full statement I would like to submit for the record.

I want to once again begin by expressing the deep regret that all of us at the Department of State feel concerning the loss suffered by families and friends of those on Pan Am 103 and the people of Lockerbie.

I want also, Mr. Chairman, to express the outrage we in the Department feel and to assure this committee and all concerned that everything possible is being done to investigate this incident, bring to justice those responsible, and enhance aviation security to help prevent a repetition of this tragic event.

Mr. Chairman, my full statement covers five distinct areas: the alleged selective notification of U.S. government personnel prior to the flight; the problem of detecting plastic explosives; aviation security information concerning Pan Am 103; compensation to the victims of international civil aviation incidents; and preventing another incident of aviation sabotage such as Pan Am 103.

With your permission, I will concentrate in my oral comments only on a couple of these areas. I would like to address in particular the issue of selective notification. Much has been made in the press and elsewhere of the posting by the U.S. embassy in Moscow of the contents of an FAA security bulletin containing information of the so-called Helsinki threat.

Let me take this opportunity, Mr. Chairman, to assure you, this committee, the Congress, and the American people that there is not and cannot be a double standard between the travel security information available to official personnel overseas and to the American public.

As I and other officials have said before, it was not the intent of the FAA or the Department of State that the FAA bulletin concerning the Helsinki threat be made public or otherwise used to forewarn selectively U.S. government officials of a threat to civil aviation.

What the Moscow embassy did in posting this notice was not in accord with U.S. government policy, and we have taken steps to guard against this ever happening again.

FAA security bulletins are intended to help ensure the security of the traveling public by advising U.S. carriers of threats so that they can implement the appropriate countermeasures. Embassies are an important link in this process, since the assistance of host governments is often required to introduce new security procedures. This is why security and civil aviation officers at selected embassies are notified of such bulletins.

In the wake of Pan Am 103, we have restated these procedures to our embassies and consulates in the clearest possible language to ensure that all of them understand the purpose and limited dissemination of FAA Aviation Security Bulletins.

To ensure that there are no misimpressions, let me state for the record U.S. government policy concerning the dissemination of aviation security information:

If we have a specific and credible threat to civil aviation security which cannot be countered, we will strongly recommend to the air

carrier that it cancel the threatened flight. If it is a U.S. carrier, the FAA will cancel the flight if the airline will not.

If necessary, the Department of State will issue a public travel advisory to alert the American traveling public to this threat. This notice will be widely disseminated in cooperation with the U.S. and foreign media, our embassies abroad, and the travel industry itself.

A related concern, Mr. Chairman, is that U.S. government personnel cancelled their reservations on the December 21 Pan Am 103 flight because they were aware of the FAA bulletin. This did not occur.

In responding to this concern, I would remind the committee that 31 U.S. government personnel, including civilians, military, and dependents, were killed in the bombing of Pan Am 103. More to the point, there is no factual basis for the accusation that U.S. government officials systematically cancelled reservations on the flight based on the security bulletin.

The State Department, working with Pan American, has analyzed and re-analyzed Pan Am's reservation, cancellation, and no-show records for Flight 103. Here is what we have found:

The flight was never sold out. The maximum number of reservations ever held for the flight was 253 out of a seating capacity of more than 400. That was as of December 20.

It is possible that people seeking reservations at certain times and at certain fares were told that no seats were available in that fare structure. This is consistent with the "yield management systems" employed by the airlines and does not mean that all seats in all fares were sold out.

An important consideration in this regard is that Syracuse University reserved many of the lowest fare seats on the flight in May 1988. Attempts to make reservations at these discounted fares were difficult until Syracuse University released seats it did not need.

Only 17 passengers were "no-shows". This is well within the percentage that Pan Am would expect on such a flight. Between December 7, the day that State and FAA were advised of the so-called Helsinki threat, and December 21, the number of reservations for the flight increased by nearly 60 percent.

There is no evidence whatsoever of any systematic pattern of cancelled reservations for this flight by anyone or any group.

It is obvious that we must improve our capabilities to detect plastic explosives. We have underway a number of different initiatives to meet this objective. First, as Secretary Skinner discussed in this statement, Thermal Neutron Analysis (TNA) technology, or its equivalent, will now be part of the screening program at a number of airports here in the U.S., as well as abroad, for flights to and from the United States.

The TNA machines, however, are only part of the solution. We must improve further our ability to detect plastic explosives. Both the FAA and the Department of State are hard at work on this research effort. One source of such research is through the national, interagency counterterrorism R&D program which is funded by the Department of State. This program is undertaken in coordination with twenty-five other federal agencies with the FAA being one of our most important partners. Included in this R&D program are projects to develop less expensive and more widely applicable detec-

tors to identify plastic explosives. The Department of State is seeking \$6 million to support this interagency program in FY-1990. I would hope that the Members of this Subcommittee could support the pending request during Senate consideration of the State Department authorization bill and the Commerce/Justice/State appropriations bill.

Another avenue we are actively exploring involves introducing into plastic explosives a substance which is detectable by existing technology. This issue was reviewed at a special meeting of the Summit 7 experts groups in Paris on January 19 and 20 which was called to discuss Pan Am 103. The Experts agreed that discussions should begin on the possibility of an international convention that would call for "tagging" plastic explosives during their manufacturing process by those nations that produce such explosives.

To exchange information on this complex topic, the Department of State hosted in Washington on March 2 and 3 a meeting of explosives experts from a number of allied states. At the meeting a workplan was established for further research into the basic issues involved in detecting plastic explosives. The U.S. also participated in similar meetings held in early March under ICAO auspices in Montreal. Further progress was made in this meeting concerning the feasibility and acceptability of chemical taggants for pre-blast detection of plastic explosives.

Whether it will be possible to negotiate an international agreement regarding taggants remains to be seen. But the common recognition by many governments that more needs to be done to detect plastic explosives, in combination with the steps that have been taken already, represents a major step forward.

I would like next to turn to the aviation security information concerning Pan Am 103 available prior to that flight. There have been misimpressions about what information on possible terrorist threats existed prior to the bombing of Pan Am 103. Hopefully, the following will help correct some of these misunderstandings.

In the fall of 1988 there was information available through intelligence and law enforcement channels on a number of possible terrorist threats, both to civil aviation and to other targets. There was the arrest of members of the Popular Front for the Liberation of Palestine—General Command, or PFLP-GC, in West Germany, an area well outside of the usual operational area for this group.

There was the so-called "Helsinki threat". Other information was available on possible hijackings of aircraft, as well as anti-U.S. terrorism incidents intended to sabotage the emerging contacts between the U.S. and the PLO.

It is important, I think, to note that the mere presence of threatening information does not mean that a terrorist event will take place. Indeed, in the majority of cases the threatened action never occurs.

Nevertheless, the U.S. government investigates and takes action as appropriate on every threat received, even anonymous ones. The U.S. government has a center which works to piece together all of the intelligence available in an attempt to anticipate terrorist plans and to counter those plans.

Yet the very nature of terrorism—small groups, tightly compartmented information, use of human couriers as a means of commu-

nication, deliberate disinformation campaigns by groups attempting to discredit each other—combine to make the gathering of information on terrorist plans and intentions extremely difficult.

The following chronology of major threat information available and related to Pan Am 103 in any way will hopefully address these concerns expressed.

In late October 1988, West German authorities detained 14 suspected members of the PFLP-GC. Weapons and explosives were seized. Twelve of the suspects were subsequently released.

In mid-November the U.S. government received detailed information on the Toshiba radio-cassette bomb seized during these arrests. This information was forwarded quickly to airlines through an FAA Aviation Security Bulletin. There was no information resulting from these arrests or the discovery of this bomb that connected the bomb with Pan Am flights or with any other target for such a bomb.

Nevertheless, because of the discovery of such a bomb and the unusual number of suspected PFLP-GC members arrested, the FAA issued an Aviation Security Bulletin to U.S. carriers to warn them about the presence of the PFLP-GC members in Europe, the existence of this bomb, its characteristics, and to advise that increased security measures should be introduced to counter this threat. This bulletin remains in effect today.

On December 5, the U.S. embassy in Helsinki received an anonymous telephone call reporting that a Finnish woman would unwittingly carry a bomb onto a Pan American flight from Frankfurt to the United States within the subsequent two-week period.

The so-called "Helsinki threat" did not include a specific flight number, date, or itinerary. The Finnish authorities began an immediate investigation. On December 7th, this information was reported to the State Department and the FAA.

That same day, the State Department Regional Security Officer in Frankfurt alerted Pan American and Frankfurt International Airport to the information and the FAA issued an Aviation Security Bulletin to alert U.S. carriers. Increased security to counter this threat was imposed by Pan Am for all of its flights leaving Frankfurt.

By 10 December, the Finnish authorities had determined that the Helsinki threat was a hoax. However, the enhanced security in response to this threat continued.

In the wake of the Pan Am bombing, the Helsinki threat was re-investigated by the Finnish authorities. Their findings were reviewed by other concerned governments, including our own. All of these governments concluded that the Helsinki threat was baseless.

The caller, who was known to the Finnish authorities from similar calls he had made to the Israeli embassy, drew upon public information on previous terrorist incidents to concoct his story. In this case, however, his threat was a horrifying coincidence with what someone else did to Pan Am 103.

Let me emphasize three critical points: There is no connection between the Helsinki threat and the discovery of the bomb made by the PFLP-GC. These were two independent and unrelated events.

There was never any threat specific to Pan Am Flight 103, on 21 December or any other date.

The Helsinki threat was a hoax. It had no relation whatsoever to the bombing of Pan Am 103.

Secretary Skinner has tasked his senior staff to undertake an immediate and comprehensive review of the collection, coordination, dissemination, and follow-up to Aviation Security Bulletins.

The Departments of State and Transportation have worked together closely on all aspects of this review and will cooperate in implementing any needed revisions to the system that may come out of this review.

Compensation to the families of the victims of Pan Am 103 is another issue. It is obvious that the compensation cap of \$75,000 per person for claims against airlines provided by the Montreal Agreement and the Warsaw Convention is grossly inadequate and long out of date. I assure you that the Departments of State and Transportation look forward to working with the Senate Foreign Relations Committee toward ratifications of the Montreal 3 and 4 Protocols which would completely revise the compensation system for Americans killed or injured in international air transportation disasters. Through these Protocols we can develop together a new and comprehensive supplemental compensation plan for victims of civil aviation incidents. The starting point for this process should be the proposal submitted to the Senate in June of 1988 by then Secretary of Transportation Burnley which, when finalized, would completely revise the compensation system for U.S. carriers and Americans traveling abroad.

The fifth issue which has attracted much attention during other Congressional hearings has been preventing another act of aviation sabotage. Both the Department of State and the FAA have underway a number of initiatives to accomplish this objective. Concerning additional security measures, a number of new initiatives were announced on April 3 by Secretary Skinner of DOT. Mr. Belger and Mr. Salazar of the FAA will address these new procedures during their testimony.

Secretary Skinner's proposals represent a major step forward in strengthening security procedures for U.S. carriers. Another important step is to heighten civil aviation standards for airlines throughout the world. The appropriate venue for such changes is the International Civil Aviation Organization (ICAO). At the request of the U.S. and Great Britain a special, ministerial-level meeting of the ICAO Council was held on February 15 and 16 to discuss Pan Am 103 and its implication for international civil aviation. Emerging from that meeting was a comprehensive workplan which will result in ICAO developing new international security procedures to help prevent a repetition of the Pan Am tragedy. We are pressing ICAO to develop these security procedures expeditiously so that the skies are safer for airlines of all nations.

Mr. Chairman, in light of some remarks, opening remarks by Senator McCain, I would like to cover a couple of other points if I may. This is the eleventh Congressional review of Pan Am 103 that we have appeared before. Our testimony for these hearings has necessarily and appropriately focused on the events directly surrounding that terrible tragedy.

This has meant, however, that we have had few opportunities to describe the U.S. Government's overall counterterrorism policies and programs. Unfortunately, we may have left the impression that we are not as active and aggressive in fighting international terrorism as we are, or that we are defensive in posture and only react to events.

In a recent hearing, a witness urged that the U.S. adopt a proactive counterterrorism policy. Not only do I subscribe with enthusiasm and alacrity to this recommendation, but it incorporates much of what our government is energetically doing every day.

And these activities are just as important in preventing another Pan Am 103 as the security measures that are being discussed here this morning. May I take just a moment to outline briefly the tenets of our counterterrorism policy:

The United States does not make concessions to terrorists or compromise our fundamental principles;

Second, we apply pressure to states who support terrorist groups and use terrorism as part of their foreign policy. We work to make states which supply terrorists with training sites, weapons, money, passports, or other logistical support bear the price for their unacceptable behavior. We actively seek international cooperation in this effort.

Third, the U.S. and other like-minded nations employ practical measures to counter terrorism. These measures are the bread and butter of our work. They are not glamorous, but they are essential.

They include identifying, tracking, apprehending, prosecuting, and punishing terrorists for their crimes. In a phrase, it is the application of the rule of law—treating terrorists for what they are, criminals and outlaws.

While it is not the stuff of headlines or news stories, let me assure you that this is an active, ongoing program to which the U.S. government devotes much time, energy, and money.

In closing, Mr. Chairman, let me assure you that helping to ensure that there is never another incident such as Pan Am 103 and identifying and punishing those responsible for this outrage is and will remain a permanent preoccupation of the Departments of State and Transportation, as well as other concerned agencies.

Thank you.

Senator FORD. Thank you, Mr. Ambassador.

You were here earlier when I asked Secretary Skinner if he could substantiate the news in relation to the identification of the unwitting carrier of the bomb on the airplane and who was responsible for that. Can you substantiate that statement that was carried this morning in the New York Times?

Ambassador McMANAWAY. I am in the same position as Secretary Skinner, Mr. Chairman. The investigation is continuing. It is a criminal investigation, and it would be irresponsible on my part to talk about the investigation itself.

I would not want to do anything that would damage our ability to bring those responsible to justice.

Senator FORD. Well, Mr. Ambassador, here is the article: "U.S. Identifies Carrier of Bomb." Well, that is just a very flat statement. Under it, "Lebanese-American believed to have innocently taken

device on Pan Am 103." And they go through there that Federal investigators have tentatively identified.

We keep going down through here, and it is like the first time I went to the Defense Department. I was told I had to get some clearance and they were going to give me some secret information. Well, that was back in the mid-fifties and I read everything they gave me in the next Life magazine.

Now, I do not know. Do we discredit the news here? Or you just want to say, I just can make no comment on that?

Ambassador McMANAWAY. I am not authorized to talk about the criminal investigation, sir.

Senator FORD. Well, I am not trying to press you too hard on that, but it bothers this Senator that we read these things in the paper and then we ask people with authority, who have been authorized, the Secretary, the highest official in that Department, you are in charge of this section of the State Department.

We ask you some information, you say you are not authorized. Who is authorized in the State Department to discuss this? Only the Secretary of State?

Ambassador McMANAWAY. No one in the State Department is authorized to discuss the investigation, sir. That is under the jurisdiction, for the U.S. Government, of the FBI and the Department of Justice. The overall investigation is under the authority of the United Kingdom.

If I may say so, sir, I am also disturbed to read those things in the paper. They should not be appearing in the paper.

Senator FORD. Well, we get back to the question we have had here that is the thread through this, the people's right to know. And I do not know whether reading that and then hearing two high government officials say they are not allowed to discuss it yet—you are here representing the Department of State.

And maybe I am just off the wall here this morning with these questions, but it is disconcerting to me to read this in the paper and then no one wants to substantiate it.

There are more leaks from the non-leakers than you ever saw in your life. It just keeps coming and keeps coming and keeps coming. And yet when we get somebody before a Senate panel with some authority, they cannot talk about it.

Ambassador McMANAWAY. Mr. Chairman, I mean no disrespect.

Senator FORD. I do not worry about that. I am just frustrated.

Ambassador McMANAWAY. And if I were authorized to, if I could, I would comment. But it is simply not—

Senator FORD. And the only people that can, as far as you know, comment on this would be the FBI?

Ambassador McMANAWAY. Yes, sir.

Senator FORD. All right. Maybe that is where we want to go instead of talking to you.

Improving airport security necessitates the active involvement of foreign governments. What is the State Department now doing to ensure this involvement?

Ambassador McMANAWAY. Sir, we are working in that area in several areas. We have worked closely with Secretary Skinner in the ICAO council meetings. We and the United Kingdom called for

a special ICAO meeting after Pan Am 103 at the ministerial level, which Secretary Skinner attended.

That produced a work plan for improving, upgrading security standards throughout the world, by all members of ICAO. That has been referred to a committee of ICAO.

Senator FORD. What serious countries are not included in ICAO?

Ambassador McMANAWAY. I am sorry, sir?

Senator FORD. What serious countries involved in some of our problem here are not members of that group?

Ambassador McMANAWAY. I do not believe there are any serious countries that are not involved. It is a very large organization.

Senator FORD. Is Iran a member of it?

Ambassador McMANAWAY. Iran, no. They are not a member of the committee. We do not have any relations with Iran anyway.

Senator FORD. All right. We are beginning to say that that is where the serious problem lies, and all we are trying to do is defend against one of them.

Go ahead and proceed. I am sorry, I did not mean to interrupt you.

Ambassador McMANAWAY. The Department of State also has a training program, Mr. Chairman, called the Anti-Terrorism Assistance program, in which we train foreign airport security officials in airport management and security. It is an extensive program.

It has been under way for the last three or four years. We have trained now some 7200 officials around the world from some 40-odd countries. That is an active program, for which we are asking the Congress for \$10 million in fiscal year 1990 to continue.

Senator FORD. Is this in addition to what the FAA might do?

Ambassador McMANAWAY. Yes, sir. We work with the FAA in that program.

Senator FORD. Who trains? Does the FAA furnish the instructors or are the instructors within the State Department?

Ambassador McMANAWAY. The FAA provides instructors. They have been supplemented by American firms or airport officials who are experienced, police departments, et cetera.

Senator FORD. How many such contracts would you think the State Department would have in this arena?

Ambassador McMANAWAY. I would have to submit that for the record, sir.

Senator FORD. Would you do that for me. And you might, in addition to that, give us all the contracts and the names of the contractors that you use to instruct and train.

Ambassador McMANAWAY. We would be happy to.

[The information referred to follows:]

The following is a list of organizations utilized in providing training under the auspices of the Anti-Terrorism Assistance Program.

- Alabama Canine Law Enforcement Training Center
- Arizona Department of Public Safety
- Aviation Security Corp.
- Baltimore-Washington International Airport Police
- Baltimore County Police Department
- BDM Corporation
- Broward County Sheriff's Office
- Bureau Alcohol, Tobacco & Firearms—Treasury
- Bureau of Diplomatic Security—Department of State
- California Specialized Training Institute

Charles Kirchner Associates
 Charleston, South Carolina Police Department
 Chicago Police Department
 Community Relations Service—Justice Department
 Control Risks Group
 Cronin/Cay Group, The
 Dallas-Ft Worth Airport Public Safety Division
 Department of Energy
 Drug Enforcement Administration—Justice
 Dulles International Airport Authority
 Essex Institute
 Fairfax County Sheriff's Department
 Federal Aviation Administration—Transportation
 Federal Bureau of Investigation—Justice
 Federal Emergency Management Agency
 Federal Law Enforcement Training Ctr.—Treasury Department
 Flint, Michigan Police Department
 Frank Bolz Associates
 Futura, Inc.
 Georgia Bureau of Investigation
 Glen Murphy & Associates
 Global Technology Corporation
 Global Training Academy
 Immigration & Naturalization Service—Justice
 Instructional Communications, Inc.
 International Association of Bomb Technicians & Investigators
 International Association of Chiefs of Police
 Knoxville, Tennessee Police Department
 Los Angeles International Airport Authority
 Los Angeles Police Department
 Louisiana State Police Academy
 Maryland State Police Department
 Miami, Fla. Port Authority
 Miami Police Department
 Nassau County Police Department
 National Association of State Directors of Law Enforcement & Training
 National Sheriff's Associations
 New York/New Jersey Port Authority Police Department
 New York City Police Department
 Northwestern University Traffic Institute
 Perspective Instructional Communications, Inc.
 Phoenix Police Department
 Police Executive Research Forum
 Prince Georges County Police Department
 San Diego Sheriff's Department
 Scientific & Commercial Systems Corporation
 Scottie School of Defensive Driving
 Texas A & M University System
 Training Group, Inc., The
 Transportation Safety Institute—Department of Transportation
 U.S. Capitol Police
 U.S. Coast Guard—Transportation
 U.S. Customs Service—Treasury
 U.S. Marshal's Service—Justice
 Washington D.C. Police Department
 Wackenhut Corporation, The

Summary:

Federal agencies	15
State and local governments	25
Educational institutions	4
Professional associations	5
Private contractors	17
Total	66

Senator FORD. These are not necessarily all members of our embassies and so forth around the world? They are members of other countries?

Ambassador McMANAWAY. Yes, sir, in all cases.

Senator FORD. In all cases.

Should U.S. embassies in any given country, receive FAA security bulletins affecting other nations? And what is the procedure for making diplomatic personnel aware of the threat described in these security bulletins?

You touched on that and probably you elaborated, but I want it again for the record.

Ambassador McMANAWAY. The only use of FAA security bulletins by the Department of State is to send them to our security or aviation officials at the posts that might be affected by the threat, in order that they may assist the airline in working with the host government to upgrade security to counter the threat.

That is the only prescribed use by the Department of State of FAA bulletins.

Senator FORD. Let us talk about family notification just a bit. The Pan Am 103 incident has raised a number of questions, I think, about the manner in which families of the victims should have been handled.

One proposal being considered calls for the State Department to notify the next of kin through the most expeditious means available. Now, what is your position on such a proposal and what would you do different today than you did during the incident following the crash of Pan Am 103?

Ambassador McMANAWAY. I wonder if I might ask Mr. Mahoney, my colleague, to respond to that question.

Mr. MAHONEY. Senator, whenever an American dies overseas in any circumstances it is our job to see that his family or next of kin is notified. If no one else is doing the notification or the next of kin are not with him, we immediately set out to do so.

Senator FORD. What do you mean, no one else is doing it? What do you mean, "no one else"?

Mr. MAHONEY. Right. About 6,000 Americans die overseas every year. Many of them are, for example, people who have retired overseas. Perhaps they emigrated to America, they have returned to their home country, they are living with social security payments and whatever, and their whole family is right there at the time.

And it may well be that the death of a person does not come to our attention for a long time. They do not tell us, they do not require a service from us. And in that sense, we do not make a notification because the family is there.

So what I mean is, if you have a tourist or someone studying overseas who does not have his family with him, the instant that the death of that person comes to our attention we immediately undertake to notify the next of kin in the United States. So there is that distinction.

Senator FORD. What is the longest and shortest period of notification to the family of a tourist involved in an accident? What is the procedure to notify you or the embassy in that country so you might start communication? What is the procedure to receive that information?

Mr. MAHONEY. The local authorities, as soon as they determine that a person is an American, which is usually done by a passport or perhaps a friend or something like that will say that this is an American citizen, local authorities usually will notify an embassy or consulate immediately.

As soon as it is clear to us that the next of kin is not with this person, which is usually right away, we will undertake to try to find what the address of that person will be in the United States. Sometimes it is immediately available, sometimes it is not.

As soon as the address is known, a phone call is made from the embassy or consulate to the next of kin to tell them what has happened, and then immediately thereafter we follow up with a cable which is sent to the next of kin, giving a large amount of information that usually seems to be necessary—for example, whatever we know about the circumstances of the death, what arrangements are available in a particular country for the return of remains to the United States, and other services that we are prepared to perform.

Thereafter the post and, if necessary, the State Department offices here in Washington try to keep in as close contact with the families as possible to see that their wishes are carried out.

Senator FORD. With 20/20 hindsight, are there any changes after Pan Am 103 that you would make or things you would have done different?

Mr. MAHONEY. Absolutely, Senator.

Senator FORD. Name some.

Mr. MAHONEY. Well, let me if I may take a minute to explain a little bit of what happened in the immediate aftermath of the bombing.

The State Department set up within about an hour a task force in its operations center, initially with 20 people, dedicated solely to answering incoming telephone calls and trying to get out information to families as we could find out who was on the airplane and who the next of kin might be.

Within about a half an hour of learning of the bombing, we made the initial request to Pan American Airlines for the manifest, because there was no way we could begin this task until we could find out who was on the plane. The airline indicated that they wished to take the lead role and to do the notifications.

Now, I think they had a couple of sincere motives for doing this. First of all, I believe and I am satisfied in looking at it afterwards that they wanted to act as a good corporate citizen and they felt that it was a responsibility to their passengers.

Secondly, they were extremely concerned about giving anyone a passenger list before they were satisfied that notifications had been made, because of the risk of a passenger list getting out to the media and relatives getting this news through the media rather than from some more direct contact.

But the net effect of this was that we did not get an initial manifest from the airline until about 10:40 p.m., some seven hours after we got the first word of the disaster. When we got that manifest, it contained only the last name and first initial of passengers.

We have a system by which we can check these names against computerized passport records and the passport records will usual-

ly give us a next of kin then that when the person got his passport he designated, and we can then set out to get in contact with them.

But a passenger list that has only the last name and first initial in many cases is not useful, because it will yield, if it is a very common name, thousands of computer entries.

So we then began to press Pan Am for their next of kin contact list, whoever it was that they were able to be in contact with or might have identified as next of kin. We were unable to obtain that list until about two days after the initial news of the disaster.

I want to stress again that I do not ascribe any improper motives to Pan American in this, but it had the effect that Pan Am did make the initial contacts with the families and did establish contact with them and in the first instance, the families came to see Pan Am as their point of contact.

As we began to get information about next of kin and to call them, we found in every instance that they had been notified by Pan American, and we found that their reaction to us was in many cases to say: Well, why are you calling? We have already heard from Pan Am.

We were concerned that we were not only duplicative, but being intrusive in this situation, and that it seemed those things initially that needed to be done in terms of notification and other information had been done by the airline.

Now, in retrospect it is clear to us that we should have moved much more vigorously and assertively to take on this role.

We have met with Pan Am already and had very good discussions with them about a better exchange of information in the future, and we are going to be meeting with other American international carriers to try to seek the same sort of situation. And we hope to have a firm but voluntary agreement so that this situation will not recur in the future.

It seems clear now that the families want the government to take the lead in this, and we are certainly prepared to do so.

Senator FORD. I have taken long enough.

Senator McCain has been good enough to yield to Senator Exon in our line of seniority here, so he might get away for another hearing.

Senator EXON. Thank you very much, Mr. Chairman. Thank you, Senator McCain.

I have just one question. I think you can give a brief answer. Mr. McManaway, you testified to the fact that there were several employees of the Federal government that died on flight 103. Can you answer this question for me: Was there any cancellation of reservations on flight 103 by anyone associated with the Federal government as a result of the intelligence information that they had that was not given to the public?

Ambassador McMANAWAY. Senator, we have not been able to find any indication that there were any cancellations due to the posting of that bulletin.

Senator EXON. And you have checked that?

Ambassador McMANAWAY. We have checked.

Senator EXON. Thank you.

Thank you, Mr. Chairman.

Senator FORD. Senator McCain.

Senator McCAIN. Thank you, Mr. Chairman.

Mr. McManaway, you mentioned that it is your eleventh or twelfth or thirteenth appearance, and I certainly sympathize with you in that respect, and I am sure it must get rather tedious to go over the same information over and over again.

Ambassador McMANAWAY. I was not complaining, sir.

Senator McCAIN. Obviously—no, I was expressing some sympathy. I know you were not complaining. But obviously a tragedy of this magnitude is one which requires a lot of information to be provided to the American people.

You mentioned that the American policy as regards to anti-terrorism is a proactive one, and I am not in disagreement with that. But let me ask a couple of questions, if I could.

Is it true that the explosive used in this tragedy is only manufactured in one country?

Ambassador McMANAWAY. The British authorities have never said definitively that it was SEMTEX. They have said it was a SEMTEX-type of explosive. If it was SEMTEX, it is only manufactured in Czechoslovakia.

Senator McCAIN. So if we establish that it was SEMTEX, I wonder what we would contemplate concerning our actions towards the country that is the sole manufacturer of that explosive.

Ambassador McMANAWAY. We have had discussions, which I cannot go into in much detail here. The Czech government has claimed that there have been no exports of that explosive since 1982.

However, it has been found in large quantities provided by Libya to the IRA. There is quite a bit of it out there already.

It is interesting, however, that the government of Czechoslovakia has said that they would be interested in pursuing a convention that would call for the tagging of plastic explosives. We have been pursuing that question actively.

The Department of State held a meeting of explosives experts from allied countries in early March here, and then there was a meeting at ICAO to explore the same idea of an international convention calling for the placement of some chemical or other element in the plastic explosive during its manufacturing process that will make it detectable by existing technology.

Senator McCAIN. I would suggest that most Americans would support a policy that, if this explosive was traced to Czechoslovakia, it was exported after 1982, that we should contemplate a direct response to the Czechoslovakian government.

My second question is, if this terrorist incident is identified, as Chairman Ford indicated is carried in the New York Times, as being, I believe it is called, the Popular Front for the Liberation of Palestine, should the United States not initiate actions to respond to that organization, if indeed we can clearly identify them as the perpetrators of this crime?

Ambassador McMANAWAY. I think I can assure you that we will, Senator.

Senator McCAIN. Those actions would include response to individuals as well as the organization responsible?

Ambassador McMANAWAY. Yes, sir.

Senator McCAIN. I hope so.

And I hope maybe we could look at some of the actions the Israelis have taken in response to acts of murder that have been committed on their citizens. I think that would be widely regarded as not an inappropriate response to the actions of wanton murderers and criminals.

Thank you very much, Mr. Chairman.

Senator FORD. Thank you, Ambassador, and we may have some questions for you in writing and hope that you will respond to those in a timely way. And we do thank you for coming this morning and thank you for your patience.

Ambassador McMANAWAY. Thank you, sir.

[The following information was subsequently received for the record:]

QUESTION OF SENATOR McCain AND THE ANSWER

Question. Much has been said about the importance of international agreements and cooperation in the area of civil aviation terrorism. Do you have a feel for what the timeframe may be in which we would see concrete results in this area?

Answer. The U.S. is committed to international cooperation as one of the most effective ways to deal with the threat posed by international terrorism.

The United States and the United Kingdom have initiated discussions before the International Civil Aviation Organization regarding the need to strengthen international aviation security standards. We expect that ICAO will approve in June improved aviation security standards. We hope that governments throughout the world will begin to implement these standards later this year.

We are also working with other governments to develop a common policy on introducing "taggants" into plastic explosives. This is a complex technical problem, but progress is being made. We remain hopeful that this summer will see major developments, particularly in terms of identifying substances that could effectively serve as taggants. It is far too early to determine if or when we will be able to negotiate an international protocol requiring the introduction of taggants. We are optimistic, however, particularly since many other governments share our belief that we must take additional steps to improve our ability to detect plastic explosives.

A third area where international progress is being made concerns the introduction of Thermal Neutron Analysis equipment at airports abroad. Secretary Skinner recently completed a highly successful trip to Europe in which his counterparts committed themselves to strengthening civil aviation security standards. Many governments also expressed their willingness to allow TNA equipment to be installed in international airports that serve U.S. carriers.

In the meantime, we are continuing our anti-terrorism training program, which includes courses in aviation security for officers from other countries.

International cooperation is essential if we are to deal with the threat posed to civil aviation by terrorists. We have made progress in this effort recently and we believe that major new advances are forthcoming.

Senator FORD. The next two members will be a panel: Mr. Richard F. Lally, Assistant Vice Intelligence for Security, ATA; and Michel J. Kutchins, Director of Aviation, San Antonio, Texas, representing the American Association of Airport Executives.

Mr. Lally, we will let you go first since you are the first one on the list here.

STATEMENT OF RICHARD F. LALLY, ASSISTANT VICE PRESIDENT FOR SECURITY, AIR TRANSPORT ASSOCIATION OF AMERICA

Mr. LALLY. Thank you, Mr. Chairman.

I am Richard Lally, Assistant Vice President for Security for the Air Transport Association of America. We have submitted a full statement to the committee and I would like to highlight certain portions of it.

Senator FORD. I might say, Mr. Lally, that your total statement will be included in the record, and we appreciate you giving us a briefing on it.

Mr. LALLY. Thank you, sir.

First of all, I would like to say that United States flag carriers have since the summer of 1985 had extraordinary security measures in effect for their operations in the high risk areas of the world. That is primarily Europe and the Middle East. These measures were prescribed by FAA following a hijacking in June of 1985.

Following the bombing of Pan Am flight 103, those measures were made even more stringent, so that at the present time U.S. flag carriers serving the United States from Europe, the Middle East, and the Far East have extraordinary security measures in effect that we think far exceed the measures in effect by foreign air carriers. So that travel on U.S. flag carriers is as safe as it has ever been and is probably more secure than the operations of foreign air carriers.

With that, I would like to note that the FAA has not imposed the same stringent security requirements on foreign air carriers that serve the United States from the same high risk locations throughout the world as they have for U.S. carriers, and that is despite the fact that 50 percent of U.S. citizens who travel abroad travel on foreign air carriers.

The U.S. airlines feel that this is a serious gap in the Federal aviation regulatory requirements, and we have recommended to the FAA and to the DOT and to the executive branch in general that that gap be closed and that the same requirements be imposed on foreign air carriers.

With respect to the Pan Am 103 incident, we think of the series of activities involving international terrorism over recent years that was culminated in the tragic bombing of Pan Am flight 103 as presenting convincing evidence that the threat facing civil aviation from a security standpoint has changed.

Where previously it was a hijacking threat and our programs to defend against that threat were very successful, today the threat is terrorism in the form of sabotage against U.S. air carriers. And we think that the acts of international terrorism are political in nature and are aimed at influencing the behavior and the policy of governments, and that U.S. flag carriers are mainly attractive surrogate targets.

Certainly, the terrorists responsible for the bombing of Pan Am 103 did not aim their sabotage at any passenger or crew member on that aircraft, or even at the airline itself.

Because of that, we feel that U.S. airlines need government help to combat and defend against the current threat. That government help we think should consist of the assignment of very talented FAA security experts at high risk areas throughout the world where U.S. flag carriers operate, to provide on-site continuing and direct assistance to those airlines in maintaining adequate security programs to protect all air travelers.

At the present time that FAA security staff, as mentioned by Secretary Skinner earlier today, is around the 700 level with the budget increases in process. We feel that, given that level of staff-

ing, that the bulk of it ought to be assigned to the high risk areas of the world where the problem is most severe.

It is my estimate that at the present time probably less than ten percent of that staffing is permanently assigned to those high risk locations. There may be portions of that staff who visit those areas periodically, but to us that is not the same, it does not fulfill the same need as permanent assignments to assist U.S. carriers and to work hand in hand with host governments to ensure adequate security.

In addition, we feel that the government help should be in the form of providing the explosive detection equipment necessary to detect bombs and explosive devices that may be intended for U.S. air carriers. Specifically, the thermal neutron analysis units, as well as promising vapor detection equipment, we believe should be made available by the U.S. government for use by air carriers to defend against this threat.

We think this is appropriate because, as I have said, the threat is one intended to impact on government, and the equipment that is becoming available is the result of a long-term government R&D program. We believe it is appropriate that the government follow through and make the first inventory of that equipment available to the carriers to carry out their security responsibilities, not unlike at all what the government did in the early 1970's when the government financed the first equipment to detect weapons at U.S. airports to combat the hijacking threat.

We have two other recommendations in our statement, and that was that the U.S. government continue efforts to strengthen the international standards and recommended practices on security that are promulgated by the International Civil Aviation Organization. Much progress has been made in that regard, but more is needed.

We specifically believe that ICAO ought to be authorized to perform a mission that extends beyond the mere promulgation of standards and recommended practices, to do two things: One, to evaluate the effectiveness of those standards in the first instance; and second, the extent or the method by which the member states apply those standards.

And then more importantly perhaps, give ICAO the authority to take action to impose sanctions or otherwise serve notice on states that fail to live up to their obligations with respect to the standards.

I think, sir, that sort of summarizes our statement. I would be happy to answer any questions as time permits. Thank you.

[The statement and questions and answers follow:]

STATEMENT OF RICHARD F. LALLY, ASSISTANT VICE PRESIDENT FOR SECURITY, AIR
TRANSPORT ASSOCIATION OF AMERICA

Good morning. My name is Richard F. Lally, I am assistant vice president for security, of the air transport association of America. I welcome this opportunity to discuss with the subcommittee the critical need to expend more effort in responding to terrorist threats of sabotage against international civil aviation.

The bombing of Pan Am Flight 103 was a painful reminder of the vulnerability of a free society to terrorist attacks. The U.S. airlines with service overseas have had extraordinary security measures in effect for the past three years at 45 high risk airports, most of which are located in Europe and the Middle East. Yet, despite

those efforts, someone, or some group, succeeded in sabotaging Flight 103 and tragically ending the lives of 270 people.

We have redoubled our efforts in the wake of that crash, instituting even tighter screening procedures for international flights than we had before the crash. But the security challenge we face today is formidable, and the airlines cannot meet that challenge alone. They are commercial enterprises, not intelligence agencies. They rely on their Government, and allied governments, to help track and assess the many security threats made against commercial airlines each year. And they very much need Government's help, including the direct assistance of Federal Aviation Administration security professionals, to provide adequate security in high risk areas of the world.

The nature of the security threat we face today is far different (and far more dangerous) from what it was in the early seventies when we first began screening passengers and their carry-on baggage. Back then, hijacking was the primary threat. Now, it is sabotage by international terrorists seeking to influence the behavior of governments through acts of violence against commercial aviation. Modification of government policy is their real goal, commercial aviation merely the surrogate target. The attack on PA-103 was not aimed at any of the passengers or crew, or at the airline itself. Clearly the terrorists' target was the U.S. Government.

Meeting this new threat requires greater government involvement in airline security. The U.S. Government must go beyond its traditional regulatory role and become a direct participant and an active partner of the airlines in security.

I have four specific recommendations to offer here today. In making these recommendations, I do not mean to suggest it is solely the Government's responsibility to improve security. The airlines must do their part and I assure you they will.

My first recommendation is that the FAA should concentrate its own security resources where they are needed most. Congress substantially increased FAA's budget for security following the terrorist hijacking of a TWA jetliner in the Mediterranean three and a half years ago. FAA subsequently hired more air marshals and security inspectors, thereby doubling the size of its security workforce. Moreover, FAA's 1990 budget calls for about 120 additional security experts which will raise their security workforce to above the 600 level.

Secretary Skinner announced April 3rd that additional FAA security specialists will be redeployed to selected U.S. and overseas airports. These moves must be in sufficient numbers and immediate, with the clear understanding that the experts are to work with foreign governments and provide continuing assistance to U.S. airlines to assure the adequacy of U.S. airline security programs. The FAA security specialists should be assigned to airports where the threat of terrorism is greatest—specifically to Europe, the Middle East and the Far East. Although about 90 percent of today's terrorism threat is concentrated in those areas, less than 10 percent of FAA's security work force is assigned to those locations.

I am not suggesting that the FAA abandon its security responsibilities at domestic airports but I am suggesting that it must assign more of its security people to ground duties in support or airline security activities at high risk airports overseas.

My second security related recommendation is that the Government must speed the development and availability of emerging new technologies that detect hidden explosives. FAA has had promising results in recent tests of equipment designed to detect vapors emitted by explosives. It also has achieved significant breakthroughs in the development of thermal neutron analysis, a process which bombards baggage and cargo with neutrons and that appears capable of detecting all known explosives in the quantities necessary to bring down a commercial aircraft.

FAA recently announced it will buy six thermal neutron machines this year and will do all that it can to bring this new technology on line quickly. Secretary Skinner's April 3 announcement advised that airlines will be required to install as many as 100 explosive detection systems such as TNA units at major U.S. and foreign airports as soon as they are available. These are the first approved explosive detection techniques to emerge from a 15 year FAA research and development program. They are good first steps. The equipment should be installed on a priority basis at high threat foreign airports where the threat is greatest. Fortunately, today's threat does not require their installation at U.S. airports in our opinion.

The FAA should accelerate this R&D effort to push the state-of-the-art and expedite the availability of the very best tools to meet the urgent and severe threat of international terrorism. In addition, the Government should fund the first industry buy of explosives detection equipment. FAA provided funds to the airlines in the early seventies to speed the deployment of effective metal detectors at U.S. airports. Government financing now is even more appropriate, and urgently needed, in meeting today's far more dangerous threat of terrorism.

ATA has developed a preliminary estimate of the explosives detection equipment requirements to support U.S. airline operations at high-threat foreign airports as well as a preliminary estimate of the costs involved. A detailed breakdown of these estimates is attached to this statement.

In summary, our preliminary estimate is that 66 thermal neutron analysis units and 171 vapor detection units are needed to meet the security requirements of eight U.S. airlines at 45 high threat airports in Europe, the Middle East and the Far East. Costs are estimated at \$49,500,000 for the thermal neutron analysis units and \$17,100,000 for the vapor detection units, for a total preliminary cost estimate of \$66,600,000.

We believe that Federal funding for this equipment is justified and warranted. It will be consistent with the Government's obligation to maintain public safety and protect its citizens from criminal attacks, especially when those attacks are committed by international terrorists whose real targets are U.S. Government institutions and policies.

My third recommendation is that the United States accelerate efforts to strengthen international agreements on airline and airport security. The International Civil Aviation Organization has made considerable progress in that direction in recent years, but more needs to be done. ICAO should lay out tougher security standards and recommended practices for all nations.

It should be given the resources it needs to evaluate security programs around the world and the authority to impose sanctions against nations that fail to live up to established standards. The special ICAO council meeting convened last month at the request of the U.S. and U.K. Governments was a good first step in that direction.

While I am on the subject of international agreements, I would also like to urge prompt consideration by the U.S. Senate of the Montreal protocols. That agreement, together with a supplemental compensation plan meeting criteria specified by the executive branch, will assure swift, fair and full compensation for damages suffered by innocent victims of terrorist attacks on commercial aviation. Under the current regime, established by the Warsaw Convention, claimants face years of costly and agonizing litigation when attempting to break treaty-imposed limits of liability.

My fourth and final recommendation is one that will help ensure U.S. travelers the protection they deserve until the tough international standards I just mentioned are in place. It is that FAA impose the same security requirements on foreign carriers serving the United States as it imposes on U.S. carriers. On December 29, 1988, FAA mandated heightened security measures for U.S. airlines serving Western Europe, the Middle East and the Far East. Those same security steps were not required of foreign air carriers serving the U.S. from the same high-threat airports. We believe it is imperative that FAA impose the same heightened security measures on foreign carriers serving the U.S. that they imposed on U.S. carriers in the wake of the Pan Am crash.

The fact that foreign carriers do not operate under the same security rules is, I think, an obvious flaw in FAA's current security program. Some 50 percent of U.S. citizens traveling abroad fly with foreign carriers, so beefing up security only for U.S. carriers would be like having police patrols only on odd numbered streets. U.S. carriers fully support the additional security measures ordered by the FAA following the Flight 103 tragedy. But if the United States Government is serious about the safety of American travelers it must impose the same requirements on foreign airlines serving the U.S. from the same high-risk threat foreign airports.

An objective analysis of the incidents in which explosions have occurred onboard civil aviation aircraft since 1983 confirms that all of civil aviation—that is, airlines of all flags, not just the U.S. flag—are the target. 573 of the deaths resulting from these bombs stemmed from devices placed aboard airlines of other nationalities, whereas 274 deaths (including the 11 victims on the ground in Scotland) involved U.S. flag aircraft. Further underscoring this point is the fact that last year there were only 2 U.S. airline hijackings—the lowest annual total since 1973—compared to 13 hijackings on foreign air carriers during that same year.

I should note that former FAA administrator McArthur wrote to his counterparts in Europe, the Middle East and the Far East urging tighter security measures. That was a step in the right direction, but it does not go far enough. Foreign airlines with service to the United States should be legally bound to comply with U.S. security regulations.

Let me mention some of the things the U.S. carriers are doing on their own to address the need for improved security. Several weeks prior to the Pan Am explosion over Scotland the members of ATA launched an ambitious review of security that involves an in-depth look at six key elements: Screener qualifications, screener training, screener pay and benefits, new technology, management involvement in

security and airline security testing programs. ATA subsequently asked outside consultants to bid on the development of a model training program for the industry, and we expect to award a contract shortly.

This kind of review, by the way, is not unique. The airlines continually reassess the nature of the threat they face and the effectiveness of their security programs. They take security seriously, and I think that is reflected in the record. In the 15 years since passenger screening began there has been only one U.S. hijacking of a major airliner involving a real firearm smuggled through the screening system. The U.S. airlines screened more than 1 billion people last year, four times the U.S. population, and the system detected some 3,000 firearms leading to the arrests of about 1,500 people. By FAA estimates, 118 hijackings have been prevented since passenger screening became mandatory.

In other words, the passenger screening system in place at U.S. airports today is working well. It is accomplishing what it was designed to do, which was to prevent hijackings.

However, meeting the new threat of international terrorism clearly requires new strategies—strategies calling for greater government involvement in airline security and greater focus on airports and airline operations overseas. Government must share the burden of security rather than push it off entirely on the airlines. It must help the airlines shore up their defenses. If we can get that kind of help, and if government can target its resources where the threat is greatest, I think we can go a long way toward shielding travelers against the scourge of terrorism in the years ahead.

Thank you for your attention.

[The following information was subsequently received for the record:]

QUESTIONS OF SENATOR FORD AND THE ANSWERS

Question 1. You stated that you do not think that the TNA explosive detection devices will be needed at U.S. airports. Why wouldn't there be an equal threat to U.S. air travelers leaving international gateway airports in this country?

Answer 1. I believe the consensus among industry and government security professionals is that the level of threat in the U.S. does not warrant application of the more stringent security measures, including use of TNAs, that are needed at high-threat foreign airports.

Question 2. Increasingly, security experts point to the low-paid screening personnel as a weak link in our airport security process. These individuals are, for the most part, paid by the airlines. What is the airline industry doing to ensure that these people are trained and remain motivated during their job? Is there any need for a larger Federal role in this area?

Answer 2. The airlines have underway a comprehensive initiative to improve the quality of the passenger screening process. Accordingly, a larger Federal role in this area is not believed necessary at this time. Key elements of the industry effort include:

- Employment Qualification Standards.
- Wages and Benefits Review.
- Improved Training Programs.
- State-of-the-Art Equipment.
- Management/Supervisory Support.
- Expanded Testing Activity.

QUESTIONS OF SENATOR MCCAIN AND THE ANSWERS

Question 1. Mr. Lally, do you share Mr. Kutchins concerns over the access rule, particularly in the area of compatibility?

Answer 1. Yes, I do share the concerns expressed by Mr. Kutchins with respect to the access rule. The question of compatibility among airports and between airports and airlines is one that deserves serious and thorough consideration. This needs to be done as soon as possible because major airports must soon submit plans to FAA for implementation of the access control rule. The compatibility issue should be resolved before the potential approval of airport plans involving different technologies, media, etc.; otherwise, options will be foreclosed and the opportunity will be lost.

Question 2. Mr. Lally, what is the view of your members towards instituting the so-called EL AL screening procedures?

Answer 2. Because of differences in operating and service characteristics, the precise El Al security screening procedures are not directly transferable to U.S. airlines. For example, compared to U.S. airlines El Al has relatively few aircraft that serve a limited passenger clientele at only a few dozen locations. However, concepts of the El Al system do have application and a number of U.S. airlines have adapted those concepts to their operations at foreign airports.

Senator FORD. Thank you very much.

I believe we will go to Mr. Kutchins and then I will have some questions for both of you. And if you proceed then, we will try to expedite this hearing.

**STATEMENT OF MICHAEL J. KUTCHINS, DIRECTOR OF AVIATION,
CITY OF SAN ANTONIO, TX, PAST PRESIDENT, AMERICAN ASSO-
CIATION OF AIRPORT EXECUTIVES**

Mr. KUTCHINS. Thank you, Mr. Chairman.

My name is Michael Kutchins. I am the Director of Aviation for the City of San Antonio, Texas, and a Past President of the American Association of Airport Executives. On behalf of the AAAE board and its members, I would like to thank you for the opportunity to testify this morning.

AAAE is the largest professional organization for airport executives in the country. It represents more than 1,400 airport management personnel at some 650 U.S. airports. Our membership is neither big airport nor small airport oriented, since it includes representation from the largest and the smallest airports in the country which serve all segments of the aviation public.

Mr. Chairman, we commend you and your colleagues for holding this hearing. The Pan Am tragedy deserves the attention of the Congress, the Administration, and the entire aviation industry. Safe and secure transport of air travelers must be the top priority. To do less is clearly unacceptable.

AAAE also commends Transportation Secretary Skinner for his recent announcements to enhance the effectiveness of aviation security measures at home and abroad. We also applaud Ray Salazar and his staff for their important contributions to improving security. While we may not agree with FAA all the time, Ray and his people are always willing to listen to our concerns.

When our aviation security system works as it should, very little attention is paid by the media and the general public. Indeed, those that are visible to the public are often regarded as an inconvenience. But in the rare instance when security is breached, the so-called security experts emerge to criticize the system.

It is virtually impossible to perceive and to prevent every threat. If someone is intent on violating security procedures, he or she will find a way to succeed. It is impossible to design an air transportation system capable of processing more than 450 million passengers a year, let alone the visitors who accompany them to the airport, and give 100 percent assurance that nothing will ever happen.

What we must do is design and implement procedures and systems to meet the challenge. The Federal government must take a proactive approach to designing systems to solve security problems, including a major and aggressive research and development program.

While security is a high priority item, it only receives about five percent of the FAA's total R&D budget. More resources must be made available.

We are fully behind the current effort to refine and further develop the thermal neutron analysis system to alert authorities to plastic explosives, and there may be other significant projects with the potential of responding to threats against aviation, and their development must also be adequately funded.

FAA must continue to assess the vulnerability of international and domestic airports to current threats. This essential first step allows both the FAA and the airport operator to determine what measures are required to effectively respond.

Mr. Chairman, airport executives will be the first to applaud efforts which add real improvements to aviation security. But we are most concerned about the recent rule requiring the top 269 airports to install access control systems at all areas leading to aircraft operating areas. In other words, every door in an airport which has access to the aircraft parking area must be controlled, undoubtedly by some form of computerized system.

AAAE is generally supportive of the concept, but there are several unanswered questions. First and most importantly, we wonder whether the millions of dollars that will be spent over the next few years to install these systems could not be used on more appropriate measures, like explosive detection devices.

Airports are not against spending millions of dollars and focusing our attention to improve security. We simply want to use those funds for the highest quality product possible.

Secondly, there is a concern about the compatibility of these systems. If this new regulation is to provide meaningful security improvements, it must assure standardization of technology and compatibility of systems among airports and between airports and airlines. Without commonality, air crews which require access through protected doors at hundreds of airports might need different security access cards at each city.

Other horror stories regarding fire codes, cargo areas, joint use military bases, and airports with large non-commercial activities are easily imagined.

The Federal government needs to take the lead in providing basic guidelines which do not disqualify vendors from bidding, but which will permit the airport owner to have a greater degree of comfort in the effectiveness of the end product.

Some have suggested the development of a machine similar to the automatic teller which permits the use of a number of cards both in and out of the host bank.

FAA must re-evaluate its recent policy decision, which in effect will force airports into roles of surrogate regulators of their tenants. Any effective security system must force the individual airport tenants to accept the ultimate responsibility and accountability for the security of exclusively leased areas.

To make a third party, such as the airport operator, responsible for violations in areas they cannot monitor and cannot control is naive and unreasonable.

The U.S. Congress must provide dedicated funding for these systems outside of the regular airport improvement program. The in-

dustry estimates that computerized systems as are mandated by the new rule could cost the taxpayers as much as \$900 million in capital costs over the next ten years. That same money would buy over 1,000 TNA systems, an average of five for every U.S. airport covered by the rule.

If only entitlement or discretionary funds are used to pay for these systems, it will force airports to forego other equally important security, safety, or capacity improvements now in their capital improvement programs.

We also urge the FAA to build in additional time for system plan approval and implementation. The current plan does not adequately provide for a realistic evaluation of these systems. The limited domestic airport experience in this area, coupled with limited resources of expertise, requires an orderly and practical work plan.

Finally, Mr. Chairman, AAAE suggests that DOT and FAA revisit the rule particularly with regard to conducting a pilot program at several high risk airports. Problems with compatibility, installation, and responsibility can be addressed at that time.

Groups such as AAAE, ATA, AOCI, and others have requested a meeting with Secretary Skinner. That session should be scheduled as soon as possible.

AAAE stands ready to work with the Congress, the FAA, the airlines, and other users to devise and install systems and procedures to provide effective improvements to our aviation security program. We must use common sense and expend our resources where they will be the most effective in deterring those intent on harming the traveling public.

Thank you again for providing us the opportunity to express our views on this important subject.

[The statement follows:]

STATEMENT OF THE AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES

Good Morning Mr. Chairman and members of the subcommittee. I am Michael J. Kutchins, director of aviation for the city of San Antonio, Texas, and a past president of the American Association of Airport Executives (AAAE). On behalf of the AAAE board and our membership, I would like to thank you for this opportunity to testify on aviation security.

AAAE is the largest professional organization for airport executives, representing over 1,400 airport management personnel responsible for the planning, management and operation of 650 airports in the U.S. Our membership is truly representative of airport management. It is neither "big airport" nor "small airport" oriented, since it includes the executives of large and medium size airports as well as hundreds of managers from smaller facilities, many of which are used exclusively by general aviation or regional airports.

Our words today may give little comfort to the victims' families of Pan Am Flight 103, but we sincerely offer our condolences.

We commend you and your colleagues for holding this hearing. The tragedy of Pan Am Flight 103 deserves the attention of the U.S. Congress, the administration and the aviation industry. Safe and secure transport of air travelers must be the top priority of everyone, including us, the airport managers. To fail to act in response to such a tragedy would be a dishonor to the victims, their families and a breach of faith with all Americans who fly by air.

First, AAAE commends Transportation Secretary Skinner for his recent announcements to enhance the effectiveness of our security measures at home and across the globe. We also applaud Ray Salazar, the Federal Aviation Administration's (FAA) security chief, and his staff for their important contributions to improving security. Even though we do not agree with FAA all of the time on security issues, Ray and his people are always willing to listen to our concerns.

Mr. Chairman, when our aviation security system works as it should, very little attention is paid by the media and the general public to security measures. Indeed, those that are visible to the public are often regarded as an inconvenience. But in the unfortunate instance when security is breached, "Monday morning quarterback"—the so-called security experts—emerge from the woodwork to criticize the system.

FAA said recently, "The increase in criminal activities targeted at aviation, the sophistication of techniques and technologies employed in these illegal activities and the potentially deadly and costly consequences of aviation security violations, have strengthened the importance of civil aviation security as a major mission area of the FAA." We could not agree more. AAAE and its members have always been active participants in the efforts to improve security at our Nation's airports. The airports and airlines take security very seriously and will continue to cooperate with FAA on implementing programs that will improve security procedures.

It is virtually impossible, however, to perceive and prevent every threat to our aviation system. If someone is intent on violating security procedures, he will find a way to succeed. It is impossible to design an air transportation system capable of processing over 450 million passengers a year—let alone all the visitors that accompany each passenger to the airport—and give 100 percent assurance that nothing will ever happen. The only way to unequivocally guarantee an impenetrable security system is to shut the air transportation system down. In a democratic society that guarantees the freedom of movement, we must find security measures that do not unreasonably impinge on that right.

We can't ground all the airplanes, so what do we do? Realistically, the most that can be done is to design and implement procedures and systems that will meet the real security threat, not some improbable "what if" fantasy.

A pro-active approach to designing systems that solve tomorrow's security problems must include a major and aggressive research and development (R&D) program by the Federal Government. Yet, the current R&D budget for security is only about 5 percent of the FAA's total R&D budget. More R&D funding for FAA security programs must be made available by Congress if we are to make any progress.

For instance, we are fully behind the current R&D effort to further develop effective explosive detection devices, such as the thermal neutron analysis, that will alert authorities to plastic explosives contained in checked luggage and carry on bags, and those carried on board by a passenger. This is a very worthwhile project, one that we believe appropriately addresses the most pressing threats in the security arena. There may be other significant projects that have the potential of responding to threats against aviation, and funding should be made available so that these areas can be examined as well.

FAA must continue to conduct studies to assess the vulnerability of international and U.S. airports to current threats. This essential first step allows both FAA and the airport operator to assess properly just what measures are required to deal with perceived threats effectively. This also allows FAA, in close cooperation with the airports and airlines, to determine the best way to employ "state of the art" technologies and operational procedures in the most economically viable and responsive manner. You simply put your resources where they will do the most good.

Mr. Chairman, airport executives will be first to stand up and applaud efforts that will add real improvements to aviation security. However, we are most concerned about the recent rule requiring the top 269 U.S. airports to install computerized access doorsystems at all areas leading to aircraft operating areas. In other words, every door at an airport which employees use to gain access to the aircraft ramp areas, must be converted to a computerized, locked door that only opens to control card entry. AAAE is generally supportive of the concept, but there are several unanswered questions that we believe will eventually undermine the intent and effectiveness of the present regulation.

First, and most importantly, we wonder whether the millions of dollars that will be spent over the next few years to install these systems could not be used on more appropriate measures, such as explosive detection devices. In our society, everything has a price tag. Public officials are no longer in the position of spending unlimited tax monies on every conceivable security or safety program. Choices must be made. This rule is no different. Mr. Chairman, please be assured that airport executives are not against spending millions of dollars and focusing our attention to improve security. It is simply a matter of the priority for limited funds, and limited expert time, available to the industry.

Second, there is the concern about the compatibility of these computerized security systems. If this new regulation is to provide meaningful security improvements, it must assure standardization of the access technology and compatibility of systems

among airports and between airports and airlines. Without commonality, each airport could select a totally different card-reading or keypad system. As a result, airline crews would have to carry a different identification card for each airport they pass through, making these systems entirely inefficient and quite possibly insecure.

The Federal Government needs to take the lead in providing a basic operating system that does not disqualify vendors from bidding on these systems but will allow these computers to speak to each other in the same language. We are not computer experts, but question why we can not develop a compatible system similar to the ATM bank machine which allows one to use the same card for every ATM bank machine location. Compatibility is a major deficiency in this rule.

Third, FAA must reevaluate a recent policy decision that, in effect will force airports into roles of surrogate regulators of the various tenants operating on airports, even military installations on airports. Any effective security system must force individual tenants of an airport—airlines, fixed base operators, air cargo companies—to be ultimately responsible and accountable for the security of their exclusive areas. To make a third party, such as the airport operator, responsible for violations in areas they cannot monitor and control 24 hours a day is naive and unreasonable. Anything less will create more problems than it will solve.

Fourth, the U.S. Congress must provide dedicated funding for these access systems outside the regular airport improvement program. The industry estimates that these computerized systems could cost the taxpayers as much as \$900 million, excluding general maintenance, over the next 10 years. (That same amount of money would buy approximately 1,100 thermal neutron analysis systems, an average of five systems for every U.S. airport covered by this rule.) In fact, the costs could soar over \$1 billion because the final rule encompasses all buildings at an airport, not just the terminal facility, as proposed in the original NPRM. Entitlement or discretionary funds used to pay for these systems will force airports to forego other equally important security or safety improvements at their facilities. There must be dedicated funding so that we do not sacrifice other critical safety projects at our Nation's airports.

And, fifth, even though FAA built in some additional time for system plan approval and implementation at smaller airports, the overall time requirements contained in the final regulation are not adequate to provide for a realistic evaluation of these systems. The limited domestic airport experience in this area, coupled with the limited sources of expertise, requires an orderly and practical work plan. As it stands now, many airports, because of the tight timeframes and their own budget procedures and constraints, will install wrong systems that eventually will have to be replaced at a considerable cost to the taxpayers. A more realistic timeframe will avoid having to "reinvent the wheel".

What is the practical impact of the rule as it now stands? Simply stated, an operational nightmare. For example, in hundreds of communities, the airport is operated on a 24-hour basis, even though the fixed based operator (FBO) is closed some of that time. This means that if a general aviation aircraft flies into one of these airports during periods when the FBO is closed, once the pilot and his or her passengers, such as you, Mr. Chairman, exits the plane, he or she is in violation of the airport's security program unless they have an airport-issued ID.

Air ambulances and other life-saving missions which regularly operate 24 hours a day also would be unable to enter and exit the airport when time is of the essence unless they have a valid ID. When FAA was questioned on this subject, the response was that general aviation areas of the airport should be physically separated from the rest of the airport by a perimeter fence or some other obstacle to prevent unauthorized access. This seems all well and good until you inquire about the best way to taxi an aircraft through a 10-foot-high barbed wire fence.

Finally, at airports where the National Guard or another active duty military base operates, each and every military member that enters the base would be required to be badged by the Airport in order to receive unescorted access to the base. As you know, Mr. Chairman, security at an air force base with front line fighters or aircraft far exceeds and FAA requirement. Under this regulation, however, these military personnel would still have to have an airport ID, even though they will be nowhere near commercial aircraft.

Mr. Chairman and members of the subcommittee, AAAE stands ready to work with Congress, the airlines, other users and the FAA to devise and install systems and procedures that will provide real—not cosmetic—improvements to our aviation security program. Anything less would be a disservice to the traveling public. But in our fervor to address security issues, we must use common sense and expend our resources where they will be the most effective in deterring those who are intent on

doing harm to the traveling public. Thank you again for providing us with this opportunity to express our views on the important issue of security.

Senator FORD. Thank you, Mr. Kutchins.

Mr. Lally, let me see if I have you straight. After reading your statement prior to this hearing I asked Secretary Skinner about your assertion that there was only ten percent of FAA's security positioned in areas where 90 percent of the terrorist acts occurred. Secretary Skinner indicated that he did not want to give the number nor the location, but gave the impression that that would be beefed up even beyond where it is now.

Does the attitude and direction of the Secretary seem to fit with your concern?

Mr. LALLY. I think the direction does, Mr. Chairman. I feel, though, that perhaps the implementation will not go far enough.

I think what we need in view of the threat is an adequate permanent assignment, perhaps starting on a temporary duty basis, of FAA security experts at high risk airports served by U.S. carriers. There are 45 such high risk airports in Europe, in the Middle East, and Far East at the present time.

I believe that those are the same airports that are subject to FAA's foreign airport assessment program. If these airports are high risk, then they are entitled to such foreign assessments on a more frequent basis.

If the presence of the FAA inspectors were made permanent, those assessments would become permanent, and at the same time those FAA people could perform primary duties of assisting U.S. carriers in maintaining adequate security programs within those host airports and of also working closely with the host governments to make sure that all security at the airport is orchestrated effectively.

Senator FORD. How many members at these 45 high risk airports of the FAA security would you think would be adequate?

Mr. LALLY. We have not done an estimate of that, sir. But an estimate could be done and I would be happy to try to submit one.

Senator FORD. Well, you were very emphatic about it is not adequate, and yet you do not know what adequate is. It may be in the eye of the beholder.

Mr. LALLY. Well, I stand to be corrected on this, but I would say of those 45 airports there are not more than a couple that have any FAA assignment presence.

Senator FORD. That means that there is practically nil at most of them then. Is what you are saying to this Senator?

Mr. LALLY. For purposes of the functions I was describing. There are FAA inspectors that traverse those airports and go in and out. We are really espousing an expanded role for the FAA inspector, to expand beyond compliance inspections to perform positive and continuing coordinated, cooperative functions of assisting the carriers on a full-time basis.

Senator FORD. Your statement indicated that you felt like the Federal government should pay for the TNA's. Am I correct in that?

Mr. LALLY. Yes, sir.

Senator FORD. What will be the alternatives if the funds from the aviation trust fund are not made available?

Mr. LALLY. Well, the equipment is expensive and it has to be paid for. We believe that the needs today are consistent with Federal government responsibilities for public safety and for the protection of citizens against criminal acts, especially acts of international terrorism that are directed at governments.

So we feel that primarily the provision of the equipment and the provision of the protection is a government responsibility.

Senator FORD. Well, you carriers charge, judging from Secretary Skinner's statement, five dollars each way, ten dollars round trip, for security reasons. That is kept by the airlines and that pays for any additional expense as it might relate to your foreign security, does it not? Or it is intended for that?

Mr. LALLY. Several airlines adopted a five dollar security surcharge for trans-Atlantic flights to defray the costs of the extraordinary security measures that went into effect in the summer of 1985. Those surcharges defrayed costs related to those extraordinary security measures.

What we are talking about now are even more extraordinary security measures placed on top of extraordinary security measures, so that additional funding is needed for these new requirements, particularly this new equipment.

So looking at it from our viewpoint, we believe first of all it is a proper government role. And secondly, if it is not funded exclusively and primarily by the government, then certainly it ought to be funded from the aviation trust fund, where funds are available.

And the last resort, we would say, would be to bill the passengers on top of the fees, they are already paying for security, especially when the fees collected by the passengers today are in the trust fund and available for this purpose.

Senator FORD. That ten dollars is not in the trust fund.

Mr. LALLY. No, sir. The ten dollars is an airline initiative.

Senator FORD. Well, what do you think the additional fee would have to be in order to have sufficient funds to cover the costs?

Mr. LALLY. The costs I do not know. I would have to do the arithmetic. But we estimated that equipping the 45 high risk foreign airports with sufficient equipment to meet U.S. airline needs would total, I believe our estimate was, \$66.6 million.

Senator FORD. \$66 million?

Mr. LALLY. Yes, sir.

Senator FORD. That means that you would have 66 TNA's, roughly?

Mr. LALLY. No, no, sir.

Senator FORD. \$800,000 a unit, and it takes a maintenance. The maintenance is about \$200,000 a year, is it not, to keep it up?

Mr. LALLY. Sir, we did a preliminary estimate for those airports that included not only TNA's, but also vapor detection equipment. Our preliminary estimate is that 66 TNA's would be needed and 171 vapor detections needed for that purpose.

So the costs would be \$49.5 million for the thermal neutron analysis units and \$17.1 million for the vapor detection units, for a total of \$66.6 million.

Senator FORD. How long would it take you to pay for that adding a couple of bucks, a dollar each way?

Mr. LALLY. I do not know. I am not familiar with the passenger count.

Senator FORD. Well, the problem here is safety and then what do we—and I think Mr. Kutchins expressed it very well: What do we quit, what do we stop?

We find between a \$6 and \$7 billion surplus in the trust fund and we cannot find a way to spend it. We are trying to find a way to get to it, or maybe if not now, later on. But everyone looks to the government, and you say that the terrorists are after a government, they are not necessarily after its people. But the people are the ones that ultimately get hurt, not the government. The government keeps on going.

Mr. LALLY. We agree with Mr. Kutchins, in that the funds that would be required for full implementation of the access control requirements relating to U.S. airports could be better spent in support of requirements to defend against the threat of international terrorism. We feel that is the paramount threat today.

Fortunately, it is not severe in the United States. But if we take things in priority order, we would be better served, I believe, by expending those resources to meet the primary threat, rather than to meeting a less severe threat that is presented domestically.

Senator FORD. Mr. Lally, I am not trying to be argumentative. If I was argumentative I would raise my voice. But government in most cases fund a large portion of the research and development, as it has in TNA, I think several millions of dollars.

And then once they do all the research and develop the machine to help the airlines protect, then the air transportation people come in here and say, not only do we want you to do all the research and develop it, then pay for putting it in.

Somehow or another it all winds up with people paying for it. We find our ability a little bit short to do all the things that we want to do. It is just like NASA. We have got a lot of problems with who has the patent on all this research. Do we own it or the people that suggested it or have been working on it?

And then we have the dissemination areas of NASA in regions, where you can go to that regional office and get all kinds of help from the development by the Federal government, and that is giving it back to the taxpayers almost directly.

But here we are getting double jeopardy. Like I told a fellow yesterday, I do not mind getting heated up about a program, but I sure did not want to be reheated.

You recommend that the Federal government accelerate efforts to strengthen international agreements on airline and airport security. What are the areas that need immediate attention?

Mr. LALLY. I believe the areas that need immediate attention are not so much the boilerplate of the agreements as they exist today. They probably cover all the bases. What is needed is the effective implementation of those measures by member states on a consistent and effective worldwide basis.

So I would say the initial requirement would be to equip ICAO with the authority and the resources needed to evaluate the effectiveness of the standards and then respond with such modification of those standards as may be appropriate, and to evaluate the

manner in which member states apply and implement the standards.

And then also, if ICAO were given the additional authority to impose sanctions or to otherwise serve notice on states that do not live up to their obligations, that would provide a quick incentive for member states to properly apply those standards and the result worldwide would be better airline and airport security.

Senator FORD. You mentioned in your testimony that ATA has been advocating that the rules that FAA and DOT are mandating as it relates to increased security screening procedures for passengers and so forth traveling on U.S. airlines.

Shortly after the Pan Am incident, ATA began advocating that some of these rules be applied to foreign air carriers serving the U.S. I think you have made that in your opening remarks.

What evidence do you have that illustrates that these rules have put U.S. carriers at a competitive disadvantage on international routes?

Mr. LALLY. Well, I think the issue here as far as I am concerned is the lack of equivalent security protection. Foreign air carriers are not affording their passengers the level of security that is afforded passengers by U.S. carriers.

But on the competitive point, there is no doubt that these extraordinary security measures that are in place by U.S. carriers and have been for almost four years, cost money. They are expensive, and those same costs are not being incurred by the foreign air carriers who compete with those U.S. carriers.

So the idea of a competitive edge for foreign air carriers is I think a fact. But the more compelling fact involves the levels of security that are provided or not provided, as the case may be.

Senator FORD. Well, would you not think that it would be a distinct advantage if your airline was considered more safe than another one? Do you not think they would prefer to fly on a safer airline than they would on another one that does not have the same security procedures as we do?

Mr. LALLY. Yes, sir, that is the point of my opening comment.

Senator FORD. I was hoping that being more secure would really enhance the airlines, rather than put them in a competitive disadvantage.

Mr. LALLY. I would hope that to be the case also, sir. But there is, I believe, some emotion associated with this question, where the public, based upon some misperceptions or some misguided advice, are feeling, mistakenly so, that travel on U.S. flag carriers is more risky than it might be on foreign flag carriers.

I believe personally that the opposite is the case, and the public would be well served to fly on U.S. flag carriers.

Senator FORD. Well, let me get to Mr. Kutchins. It is getting almost to soup time here.

Mr. Kutchins, how could the objectives sought by the FAA in limiting access to secured parts of an airport be accomplished without the current rulemaking?

Mr. KUTCHINS. Speaking from what has actually happened in San Antonio, one of the things that the increased number of field personnel have brought to us is a very good working relationship and, working together with the FAA people, we are identifying im-

provements and putting them into place. I would presume that a similar experience can be found at other airports.

Senator FORD. Other than conducting the test program, I think similar to the type I supported in a letter to former Secretary Burnley last year, do you have any other recommendations as to how FAA should proceed?

Mr. KUTCHINS. Carefully.

I think, as I stated in the testimony, it would be extremely important if the various aviation associations can meet with Secretary Skinner and have a meaningful discussion of some of the points.

But I think all of the testimony that I have heard this morning has generally followed the same line. We are all in this together. Everyone seems to have a genuine appreciation for the problem. It is just how we get from point A to point B, but I think we are trying to work out the details.

Senator FORD. You recommended that we create a dedicated funding source to cover nearly a billion dollars, I think, in nationwide costs anticipated for acquiring, installing, and maintaining computerized access door systems.

In your view, how can we do this? How can this be accomplished? Stick another tax on?

Mr. KUTCHINS. I imagine there are several ways in which it can be funded. From the tremendous resource within the trust fund. I would personally not like to see it just limited to the entitlement funds which we get as an airport, because those things are pretty well spoken for all the way down the line.

And then, as Mr. Lally indicated, I suspect there is always the option of a surcharge for a period of time to fund the materials and get them in place.

Senator FORD. Let me ask you a final question then. Do you believe that airports should be regulators of airport tenants operating in exclusive areas of the airport property?

Mr. KUTCHINS. I believe that the tenant in an exclusive area has to bear the ultimate responsibility. If there is a rule and all we do is get guidance that says, your tenants have to do it, but if they do something wrong we are going to come back against the airport, that is very, very difficult to try and explain, and it is not practical.

Senator FORD. How do we find out if a tenant is not complying? Would we have to investigate or would you as the airport executive report it?

Mr. KUTCHINS. Well, right now what happens is that the FAA comes down and provides a rather elevated level of inspection, and they, along with the airport people at times, go around and review what goes on among the tenants.

However, I think that our people on their own as part of their daily inspection are vigilant to see if there is a violation, and then we get back to the tenant immediately.

Senator FORD. Okay. Is it your experience that the current access controls at your airport are adequate?

Mr. KUTCHINS. We are improving, almost on a daily basis. There are always things that we can do to enhance our system.

There is a possibility that a system whereby people can be removed from a data base on a five-minute notice is probably pretty good. We have found that in the past there got to be a rather careless attitude on lost badges, for instance, and we had to tighten that up rather substantially.

But to say that the status quo is all we ever need, I do not think I could be comfortable with that.

Senator FORD. Vigilance, I guess.

I have no further questions for either gentleman, so I thank you for your patience today and look forward to working with you more closely in the future.

Our final panel today is Mr. Paul Hudson and Mr. Brian Barry, representing the Victims of Pan Am Flight 103. If you two gentlemen will come forward, we will be very pleased to hear your statement this morning.

Mr. Hudson, we will ask that you go first, and then Mr. Barry will follow, and I will have some questions for both you gentlemen. You may proceed, Mr. Hudson.

STATEMENT OF PAUL S. HUDSON, CHAIRMAN, VICTIMS OF PAN AM FLIGHT 103, ACCOMPANIED BY BRIAN BARRY

Mr. HUDSON. Thank you, Mr. Chairman.

Mr. Chairman and distinguished members of the committee: It has now been 113 days since the terrorist bombing of Pan Am flight 103 killed 270 innocent people, including 189 Americans. My daughter Melina, who was 16, was one of those.

It is long past time for the Senate to take a hard look at whether corrective action has been taken to prevent another such tragedy. Regrettably, Mr. Chairman, we must say that a business as usual attitude by the FAA, the State Department, and the airlines has not resulted in significantly improved airline security four months after the worst terrorist attack on American civilians in our history.

Moreover, the confidence of the flying public has deteriorated in both airline security and in the capability of our government to deal with terrorism.

The basic facts on security measures in force in December 1988 have not been released by the airline or the FAA. We are really not sure. It is somewhere between completely inadequate and grossly incompetent.

The government line, that there was only one warning, the so-called Helsinki warning, and that was a hoax, was completely discredited on March 16th when it was revealed by the press that there were at least three additional, very detailed bomb warnings issued by the FAA and the British Transport Authority prior to the bombing of 103.

No known additional steps have been taken by our government to implement a more effective counterterrorism policy. I would be glad to get into the details of that in the questions.

The State Department has not released any information which would substantiate its claim that there is not in practice a policy that results in selective warning of U.S. government employees of terrorist bomb threats, nor that only select U.S. government em-

ployees were warned of the terrorist bomb flights directed at Pan Am flights originating in Frankfurt with U.S. destinations in the two to three week period before Christmas.

We have now seen another example of how this policy of secrecy and withholding credible terrorist threats from the flying public works in practice. During the week of March 19th, the FAA issued a high level alert that warned of a possible hijacking of an American airliner in Europe during the Easter rush.

The substance of this warning was broadcast as a travel advisory on U.S. Armed Forces television in Europe, then leaked to the British tabloid press. The only reaction of our government was to threaten to punish the leaker to the British press.

Incredible as it seems, the Administration's policy of not disclosing terrorist threats, even high level credible warnings, has only hardened since the Pan Am 103 bombing. The rationale has shifted from "we cannot tell you because there are so many it would stop all air traffic" to "we cannot tell you because it would dry up intelligence sources and encourage more threats."

Following this line of reasoning, the Food and Drug Administration should not have warned the public of sabotage of the drug supply in the Tylenol poisoning case, nor pulled fruit off the shelves in the recent South American fruit poisoning case.

Rather, following the FAA policy, the FAA should have alerted the grocery and drug store chains' security firms, warning them not to tell the public and leaving it up to each store as to how to react to the threatened sabotage.

There is no evidence that the airlines or the FAA have cited which shows that notifying those at risk of credible bomb threats would "dry up" intelligence sources. The sources of warnings in the Pan Am 103 case were the German police and a resident of Helsinki that freely identified himself.

More recently, the source of the March FAA warning of the possible hijacking of an American plane in Europe was reported in the press to be the PLO and the Jordanian government. Does the Secretary of Transportation assert that such sources of information would dry up if people at risk were warned?

In any case, no responsible party, certainly not the relatives of Pan Am 103 victims, has called for the publication of sensitive details of terrorist threats or warnings.

The canard that notifying airline passengers of credible threats would result in a vast increase in such threats is also without a basis in fact. According to the FAA's own statistics, the number of threats to airlines has been relatively constant at 400 to 500 per year since 1983, with less than 30 of these being so-called "high level threats." And that, Mr. Chairman, is out of six million flights a year.

The only exception to this is the 1985-86 period, when there was approximately a 30 percent increase. Mr. Chairman, you may recall this was the period of the Rome airport massacre, the TWA Athens Airport hijacking, the Achille Lauro hijacking, the Berlin nightclub bombing, and frequent public threats against Americans by Middle East terrorist leaders. The record is clear that threats increased slightly in response to actual terrorist acts, but not to empty threats.

The real reason for government and airline resistance to notification of those at risk seems to be fear of lost revenue and the exposure of the ineffective and inept security measures currently in force on international airlines.

The new measures ordered by the FAA since the Pan Am 103 bombing, which in essence consist of X-ray or hand search all baggage, are completely ineffective, because current X-ray equipment cannot detect plastic explosives and hand searching is not being conducted unless there is other cause to suspect.

No respected security expert inside or outside the government can be found who will testify that we can have confidence in the current security procedure preventing another Pan Am 103 tragedy. And Mr. Chairman, I did not hear anything here this morning that contradicts that statement. This is why IBM and other corporations have warned their employees not to fly American carriers in Europe.

Stronger measures, such as hand searching of baggage on international flights and banning of certain electronic devices, have not been adopted, although urged by security experts. Installation of bomb detection equipment is months to years away.

In this blatant failure to protect situation, how can Americans also countenance a "refusal to warn" policy? The purpose of intelligence is to inform those at risk, as well as to help the police catch terrorists. The purpose of security is to prevent and deter. Intelligence that can only be shared with other intelligence officers is of little value.

A moral and sensible notification policy will enhance security, by first deterring terrorists who realize their plans are known; and secondly, by ensuring that security forces are taking precautions seriously in the face of high level threats.

I might add parenthetically, Mr. Chairman, that the notification policy we are supporting has been publicly endorsed by Lieutenant Colonel Corbett, former NATO counterintelligence security chief, and privately by a former FAA director of security, and also by a former security chief of El Al Airlines.

Furthermore, Senator D'Amato has introduced legislation to implement part of this notification policy and that legislation has been endorsed by the pilots and flight attendants unions.

In closing, I would just like to reiterate that the airline security system was and is broken. Clearly it needs to be fixed before a repetition of the Pan Am 103 occurs in the months ahead.

However, the policies and practices which contributed to the 103 tragedy cannot be fixed unless the truth is known about what went wrong with the system on December 21st, 1988.

Victims of Pan Am 103, representing over 300 relatives of the American victims, and nearly 200,000 other Americans have petitioned Congress for an independent investigation. Our canvas of Senators indicates that Senators are now supporting this call by a nine to one ratio in favor.

We are calling on you, Mr. Chairman, to add your commitment to allowing the truth to be known, for without the truth we cannot expect to see security measures adequate to meet the threat we are facing.

Thank you.

Senator FORD. Thank you, Mr. Hudson.

Mr. Barry, do you want to proceed with your statement, and then I will have a question or two for both of you.

Mr. BARRY. Thank you, Mr. Chairman.

I have submitted to the committee my formal statement. I would like to read the statement right now.

Senator FORD. Your statement will be included in full in the record.

Mr. BARRY. Thank you, Mr. Chairman.

We are some of the relatives whose lives drastically changed on December 21st, 1988, when we received word that our loved ones had unfortunately perished when Pan Am Flight 103 blew apart at 31,000 feet over Lockerbie, Scotland. Amid the grief and confusion, many of the relatives made plans to fly to Lockerbie to assist in identifying and retrieving the remains of their loved ones, if in fact any remains existed.

During that trip, we were shocked by the efforts of Pan Am and U.S. embassy officials in London to stonewall relatives and persuade us to stay in London and away from Lockerbie.

After much persistence and despite several unexplainable delays, we were able to go into Lockerbie and hand over X-rays and medical charts crucial to the process of body identification.

Several days in Lockerbie left us embarrassed and appalled by the unresponsiveness and ineffectiveness of the State Department. It was obvious they had no policy or procedures to follow in accumulating and disseminating information pertinent to the relatives of the victims.

The only reason victims' relatives in Lockerbie received any information was due to the fact that we informally organized and demanded daily briefings. At these briefings, Deputy Chief Constable Paul Newel of the Scottish Police would update us on such items as body counts, body identifications, and body release counts.

This information was effective in calming some of the enormous anxiety and despair shared by the victims' relatives. It was not until we returned home to the United States that we learned that relatives who could not make the trip received none of the information we obtained from Scottish authorities.

Why was not this information passed on to victims' relatives in the United States? What exactly was the role and policy of the State Department in Lockerbie? As we pondered these questions, authorities confirmed that Pan Am 103 had been destroyed by a terrorist bomb, and now new questions ran through our minds.

Among them was, how could this happen, especially when authorities knew that a Pan Am flight originating in Frankfurt within two weeks of Christmas had been targeted? Subsequently it was learned that authorities were also warned to look for a Toshiba radio-cassette player containing plastic explosives.

Yet, with all this information, the bomb still was not detected and 270 innocent men, women and children senselessly and tragically lost their lives.

Ray Salazar, head of security operations for the FAA, commenting on airline security last month in Life magazine said: "We have a problem overseas and that is where extraordinary security measures exist." In lieu of the aforementioned warnings, what extraor-

dinary security measures were taken in the case of Pan Am 103? Obviously not enough. Mr. Chairman, we want to know why.

I am not, nor are any members of the Victims of Pan Am 103 organization, experts in security or the cause and cure of terrorism. We are just average people caught up in an enormous international situation. We have learned more about airport security and government politics than we ever wanted to know.

We feel that changes can and must be made so that others will not have to experience the pain, despair, and frustration we have had to. Nothing that we say or do here can bring our loved ones back, but we are here because what you say and do to improve airport and airline security can prevent this tragic story from happening over and over again.

Specifically, four problem areas require immediate action. These are notification, detection, coordination, and compensation.

Number one, more adequate notification of passengers, baggage handlers, and concerned governmental and airline officers of serious high level threats to airline security is an imperative. The lack thereof is inexcusable. Only a small number of threats are deemed sufficiently serious each year by the FAA to be the subject of a high level security bulletin.

Any airline that is the subject of such threat should be obligated to notify each passenger prior to boarding of the issuance of that FAA bulletin, permitting that person—that passenger, excuse me—to choose whether or not to take that threat.

Surely every American citizen deserves that freedom of choice based on notice and information. The policy of so-called "selective notification" is contemptuous of human life, passenger interests, and American legal traditions.

In addition, every flight captain should be notified of all threats to his flight and possess full authority to delay it or cancel it if he feels that the security of his passengers cannot be guaranteed.

Number two, more adequate detection equipment, personnel, and procedures must be installed for every airport and every airline. This will require more money from both governments and airlines, but the amount now spent per passenger is absurdly low and the current level or, more accurately, current lack of effective security measures is intolerable. For example, it has been known at least since 1986 that plastic bombs in checked baggage could not be detected by existing systems and posed the single most serious terrorist threat to international travelers. New equipment to detect such bombs has been available at least since 1987. But, except for few instances, such equipment has not been installed or even ordered.

Airport security personnel are too often ill-paid, ill-trained, ill-qualified and uninformed. Their methods and procedures are too often inconsistent from one airline to the next and ill-considered at best. FAA security personnel are also insufficient in number and training.

We spend tens of thousands of dollars every day to ensure safe shipping lanes in the Persian Gulf, therefore protecting our economic interests. Do we not benefit from air commerce?

It seems too little to spend to ensure adequate airline security. Surely there are no higher priorities in the appropriations process than the saving of our citizens' lives.

Number three, more adequate coordination, communication, and involvement among all agencies engaged in gathering intelligence and combating airline terrorism, including the FAA, the State Department, the CIA, the National Security Agency, the FBI, and airline and airport authorities, is essential to the prevention of terrorist attacks on airlines.

Number four, more adequate compensation by way of damages to the families of victims of international airline disasters is the only way to prod the airlines into upgrading and maintaining their security systems, procedures, and policies.

What we need is a system of full, fair, and prompt compensation to the families of those killed. The amendments to the Warsaw Convention which are now pending ratification before the Senate would raise compensation from the \$75,000 presently awarded to \$325,000.

As part of these amendments each country is permitted to have a supplemental compensation plan which can be without limit. The United States should adopt a supplemental plan that provides for full compensation without limitation for economic and non-economic damages and provides for awards to be made within ninety days with the right of judicial review. In addition, the "Killed In Terrorist Action" statute should be amended to extend its tax benefit to American civilians killed in terrorist actions abroad.

Each of these four action areas must be addressed now. Each of them takes time and passenger safety must be protected in the interim. Until the FAA is able to implement the preceding measures, we urge them to enforce the following measures on all international flights and threatened domestic flights:

Number one, all carry-on and checked baggage must be hand-searched until E-scan and TNA machines are in place; Even then, a small percentage will have to be hand-searched.

Two, all checked baggage should be sealed as soon as the appropriate security checks have been completed, and matched with passengers;

Three, the El Al procedures of utilizing security personnel to question all passengers should be adopted by all airlines;

Number four, any unattended or abandoned baggage must be removed from the terminal area immediately.

Number five, security personnel must have at least average intelligence, be trained properly, and compensated above what is now the industry standard;

Number six, keep non-passengers out of the secured areas and isolate passengers on connecting flights coming from airports where security is weak and send them through security again;

Number seven, there should be an FAA security officer at all international terminals and the security director should have the power to postpone or cancel any flight;

Number eight, have one security system for the entire airport, as opposed to different agencies working the same terminal with little or no coordination;

Number nine, an 800 number should be established with information on airline threats, enabling passengers to contact a specific airline mentioned for details and to decide for themselves whether they want to take a particular flight.

Number 10, assign special seats to suspicious passengers so FAA sky marshalls can monitor them.

Number 11, late arriving passengers should either be denied entrance or subjected, regardless of possible flight delay to the same screening process as all other passengers.

Number 12, take responsibility for security out of the hands of ticket agents. They were not hired as security guards.

No doubt these recommended interim procedures will involve cost, inconvenience, and complaints. They will also save lives.

Finally, we urge this committee to obtain a better sense of the confusion and cover-up that now characterize airline security by investigating a particular case, the case of Pan Am Flight 103. We have attached as an appendix to this statement a series of questions for which you will be able to obtain answers better than we.

Those answers will not bring back our loved ones massacred last December 21st at 31,000 feet. Neither will the remedial measures we advocate here. At least these measures and others like them can help to increase the safety of our airways and help to prevent another calamity from inflicting pain on more people, perhaps people like you and your families.

If action is taken now that saves the lives of others, then the terrible tragedy of last December will have at least produced some small gain to offset the terrible loss we have suffered. On the other hand, if we forget the past we are condemned to repeat it.

We are grateful for your consideration of our views and we are hopeful that you will take early action accordingly. Thank you, Mr. Chairman.

Senator FORD. Thank you, Mr. Barry.

Several disturbing things in your statements for me. Probably the most disturbing point was made by Mr. Hudson. You are accurate, I am sure, when you said here in your written statement:

During the week of March the 19th, the FAA issued a high level alert that warned of a possible hijacking of an American airliner in Europe during the Easter rush. The substance of this warning was broadcast as a travel advisory on U.S. Armed Forces television in Europe and then leaked to the British tabloid press.

Can you substantiate that statement?

Mr. HUDSON. Mr. Chairman, there was a clip of the actual broadcast on one of the network evening news programs, and I can give your staff an exact reference.

Senator FORD. Would you do that for me, because if that occurred then we are right back to where we said it was against the rules to post it on the embassy bulletin board, and that was put out as an advisory. That went to just a limited number of personnel.

But was this then written in the British press?

Mr. HUDSON. I believe, sir, the broadcast was simply a travel advisory. The British press published actual details of the FAA bulletin, and that provoked a strong reaction from Secretary Skinner.

Senator FORD. Well, I can imagine it would, yes.

Mr. HUDSON. As I understand it, the broadcast was available to our 300,000 military personnel in Western Europe.

Senator FORD. Do you have a clip of the British paper, or can you advise me what paper I should secure it from?

Mr. HUDSON. It appeared in the "London Times" and there were several others. But I can also supply your staff with copies of those clips.¹

Senator FORD. Well, that would be fine. If you would do that I would be grateful to you.

[The following information was subsequently received for the record:]

¹ The material was not reproducible.



United States Department of State

Washington, D.C. 20520

Dear Mr. Chairman:

Thank you again for the opportunity to appear before the Subcommittee on Aviation of the Commerce Committee. I hope that my testimony contributed to a more complete understanding of U.S. counterterrorism policy, our public notification system and other related matters of concern to your Subcommittee.

One of the final witnesses before you was Mr. Paul Hudson, whose daughter died in the Pan Am 103 bombing. In his testimony he stated, in effect, that the U.S. Government has a double standard regarding notification of terrorist threats to U.S. government civilian and military personnel abroad as compared to other Americans who are traveling overseas. In large measure he based his claim on an allegation that Armed Forces Network (AFN) issued in late March a security alert to its listeners based on the contents of an FAA Aviation Security Bulletin. For the record, the true sequence of events that led to Mr. Hudson's misunderstanding of U.S. Government policy is as follows:

- o On March 16 the FAA issued an aviation security bulletin which included the names of three individuals who were allegedly planning the hijacking of a U.S. aircraft in Western Europe. No date for the possible hijacking was specified.
- o The contents of the bulletin were leaked, apparently from the office of a U.S. airline in London, to Robert McGowan, a columnist for the London tabloid "Daily Express." He wrote an "exclusive report", based on the contents of the aviation security bulletin, which appeared in that paper on Thursday, March 23.

The Honorable
Wendell Ford,
Chairman, Subcommittee on Aviation
Commerce Committee
United States Senate.

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- o The "Daily Express" story was distributed worldwide by various wire services on March 23. Armed Forces Network (AFN) was one of the recipients. On that same date, and beginning with local radio newscasts as well as the 6:00 P.M. evening news broadcast, AFN ran the report as a news story and said its source was press reports from London. No AFN story characterized this story as a security alert to U.S. military and civilian officials in Europe.

I should add that Mr. McGowan's own reporting of this story demonstrates some of the problems inherent in publicizing aviation security bulletins. Despite having access to the actual text of the bulletin, his story contained two major factual errors. He reported erroneously that the bulletin applied specifically to an Easter weekend hijack threat (thus perhaps making the threat more newsworthy), and that the U.S. Government had warned its military and civilian personnel of this threat. Both of these claims are factually incorrect. In this regard, I have attached the press guidance which was used here in Washington to comment upon this article as well as the AFN transcript for the news report in question.

In closing, let me assure you that there is no double standard between the travel security information available to the community of official personnel overseas and to U.S. citizens traveling abroad; it is neither U.S. Government policy nor procedure to notify government employees of terrorists threats while keeping such information from other American citizens.

I would appreciate this letter being included in the record of the hearing.

Sincerely,



Clayton E. McManaway, Jr.

Ambassador

Office of the Ambassador-at-Large
for Counterterrorism

Senator FORD. That is adding insult to injury if that is happening.

Let me just assure you that we are going to be moving—I think Senator Stevens came in this morning with a short statement. I do not know whether you were here to hear him or not, as it related to compensation. He is a very thoughtful, hard-working Senator, and this was one of the items that we were discussing in the statement that I had made that he referred to, I think, that compensation.

And those protocols now are in the final stage, as you well know. We do have conflicting interests in that, the State Department one way and I guess trial lawyers another. The victims have no voice in this unless you raise your voice, do they?

Mr. BARRY. That is correct.

Mr. HUDSON. Mr. Chairman, we do have a position on that. If you would like, I can tell you what it is.

Senator FORD. We would be glad to listen to you.

Mr. HUDSON. The last time I believe this came before the Senate was in 1981, and at that time the amendments to the Warsaw Convention provided, as they do now, for an effective compensation level of \$325,000, and that would be on a no-fault basis.

Also, as part of that it is apparently permitted for each country adopting this amendment to this international treaty to put in place what is called a supplemental plan. There was a vague outline, really, of a supplemental plan drafted in 1981 that would have provided for unlimited damages. However, it would have excluded non-economic damages, it would have excluded punitive damages, and it would, as we understand it, provide for no right of judicial review.

We would support the adoption of the proposed amendment, the so-called Montreal Protocols, if the supplemental plan provided for full, fair, and prompt compensation to American families of those killed, not only in terrorist acts but in all air disasters overseas.

And we believe it should include what are commonly called non-economic damages, which are things like pain and suffering, grief, loss of society, and others. It would still exclude punitive damages, and we believe that is a reasonable trade-off to be followed.

The time frame for compensation in the original draft plan back in 1981 I believe called for 60 days, and even if that is lengthened slightly that would be a far better system than what we have today, where families must wait essentially one to five years to receive recovery through our tort system.

Senator FORD. Has there been any approach to the families by the airline itself through their agents, which would be legal, to begin to negotiate any kind of financial settlement?

Mr. HUDSON. I believe most families, Mr. Chairman, have received a settlement letter offering \$100,000.

Senator FORD. Now, is that above the maximum?

Mr. HUDSON. No. Well, the maximum is \$75,000.

Senator FORD. Yes.

Mr. HUDSON. And as I understand the offer by the insurance carrier, it is for \$100,000.

Senator FORD. So they are going \$25,000 beyond the maximum that is now required by law or protocol?

Mr. HUDSON. As I understand it, yes, sir.

Senator FORD. In your statement, Mr. Barry, I believe you said that you had a former official with the Israeli airline that had been advising—I believe it was your statement—that had been advising you as it relates to security.

Mr. BARRY. That was Mr. Hudson's statement, Mr. Chairman.

Senator FORD. Oh, I am sorry. I thought this was Mr. Hudson's.

But anyhow, you said the Israeli airline procedures of utilizing the security personnel was one of your recommendations, however, then?

Mr. BARRY. Yes, Mr. Chairman.

Senator FORD. Now, basically we have some confidence in Secretary Skinner that he will move and within the next couple of weeks we will see some dramatic movement as it relates to cooperation.

We find that the State Department always walks on eggs, where you and I would be like a bull in a china cabinet. And I am not sure that we can ever change that attitude at the State Department, but we can change—I was brought up to treat everybody kindly, and as long as the fist stopped at the end of my nose without hitting me everything was all right. But when he hit me I could hit back, Dad told me.

I want to be as accommodating and as polite as I can with those who are dealing with a very serious situation, I say to you, Mr. Hudson and Mr. Barry. But my patience is not nearly as great as yours.

Your patience up to this period of time has been to push and to search and to try to get us to move. So your patience has been, I think, one to be admired.

At some point we are all going to lose our patience and are going to start fighting city hall. So I assure you that this committee, through its full chairman, Senator Hollings, who called this hearing today directly for this subcommittee, will be looking at the efforts that we can be making here.

I want to be sure that what we do is right. If we rush, when we make mistakes it is usually a mistake that stays in place. And I would prefer to be a little bit more conservative in our approach and to be sure that we leave no loose ends behind us.

Now we are getting to the point where things are beginning to move and we learn, as you have learned, that the TNA's are very difficult probably to come by. But we have already ordered six.

That does not amount to very many, and we need 100 in the first year and 200, and that is about the maximum of production. But it can be licensed and then we can find other producers, so maybe we can move on that, and additional research as it relates to search of the individual at the airport.

I have seen that one, and it means you have got to stand in a cage and then step back out and go forward and it is going to be somewhat of a longer procedure than we now have. But I think that the Israeli government has indicated that a little delay for a safe trip is very little to pay for that safety.

I have no further questions, but there will be several questions to resolve. And I think one of them will be money and how we come about and how we secure those funds or where we shift those funds

from to another one, because as you know we are under a overall funding cap.

We are going to have to be moving funds from one place to the other, and I think we can find sufficient funds to move forward in an expedited manner, I really do.

So let me compliment you again on your patience and your efforts here. I think what has been done to date has been the result of your recommendations, and your efforts to see that something like the Pan Am 103 does not occur again in the future.

I thank you very, very much.

This hearing is adjourned.

[Whereupon, at 12:43 p.m., the subcommittee was adjourned.]

ADDITIONAL ARTICLES, LETTERS, AND STATEMENTS

STATEMENT OF WILFRED A. JACKSON, CHAIRMAN, OPERATIONS, SAFETY & SECURITY
COMMITTEE, AIRPORT OPERATORS COUNCIL INTERNATIONAL

Mr. Chairman and Members of the Subcommittee:

The Airport Operators Council International represents the state, local and regional bodies that own and operate the principal airports serving scheduled airlines throughout the world. AOCI's Member airports enplane more than 90 percent of passengers and cargo carried by domestic scheduled airlines and virtually all passengers and cargo carried by international airlines serving the United States.

As the local governmental entities operating airports, we quite obviously have an intense interest in the enhanced security of airports and air carriers. Our passengers are the citizens of our own communities, not to mention ourselves as travellers, who are the beneficiaries of any improvements which might be made in the airport/airline system.

Aviation security is absolutely vital to the air transportation system upon which our nation's economy depends, and it can truly be a matter of life-and-death. Aviation benefits millions of people each day, either directly for travellers or indirectly in the form of cargo or mail being transported worldwide. It is because aviation is so widely used, and because the potential for disaster is so great, that violence and interference with air transportation are so attractive to terrorists. Efforts to ensure the security of commercial aviation fall into two categories, the macro approach and the micro approach.

THE MACRO APPROACH

In the macro approach, we achieve aviation security when the reasons for a terrorist to use violence are diminished, and when the means and opportunities for doing so are removed. Relieving the impulse to commit violent acts against aviation is a political matter, appropriate for national government, including this Congress, to address. We need to focus not only on removing the means and opportunity for violence, but on cooperative governmental efforts to interdict terrorists well before they reach airports.

We must enhance the cooperation of every available national and international police and intelligence operation to identify, track and intercept the terrorist before he ever gets near the airport. The terrorist today has as his target not Airline X, but the policies and principles of the United States (or other) government, and that is the level at which government must meet the terrorist head-on. Airport operators are local, not national government, and we are not -- and should not be--in the business of fighting international terrorism.

The federal government's role in leading and organizing the improvement of aviation security is mainly the responsibility of the Federal Aviation Administration. The Federal Aviation Act gives the FAA responsibility "to protect against terrorist and other criminal threats." As the threat has shifted over the last 20 years from hijacking to sabotage and terrorist

attacks, the FAA has toughened its regulatory requirements on all U.S. airports and airlines, without regard to specific circumstances and risks. It is time to do a thorough risk assessment and focus our preventive efforts on those areas facing the most severe threats.

THE MICRO APPROACH

Under the micro approach we must focus on protecting airports and air carriers. Achieving aviation security is very complex and costly. The physical aspects of aviation security are costly because they involve construction or modification of entire facilities and the purchase of expensive, advanced technologies. Every airport has a unique situation, unique facilities and needs, and faces a unique set of threats, which multiplies the complexity, and in turn, the cost, of solutions.

U.S. airports today have complied with all safety requirements of the FAA. Until now, their requirements have been logical, meaningful, and doable, as well as generally affordable. The so-called access control rule has taken the problem outside those bounds.

No solution is permanent. Each and every initiative to remove the means or opportunity to threaten security is subject to a terrorist's attempts to circumvent that security measure.

Airport operators have not been idle. We have modified our facilities, installed new equipment, added personnel, and actively worked with airlines, law enforcement agencies and the Federal Aviation Administration to improve security.

THE ACCESS CONTROL RULE

The FAA has taken what we consider to be a precipitous action in issuing a final rule on "Access to Secured Areas of Airports", otherwise known as the access control rule. Let me state at the outset that we strongly support improved security, and, for that matter, the underlying purpose of the rule itself. It addresses a valid, but very limited possibility, that of the "threat from within" of a disgruntled or deranged employee. To our knowledge, that threat has come to fruition once in the past 60 years, in the 1987 PSA incident in California. While improved systems must certainly deal with that element, we would suggest that the infinitely greater "threat from without" -- the various forms of terrorism -- has gone virtually unaddressed. We submit that the vast amounts of money needed to implement this rule could be more effectively spent in other areas of airport security.

That rulemaking requires 270 major U.S. airports to institute, on an accelerated schedule, a massive program to augment and automate their systems which control access to the airport operations area (AOA). It is a laudable goal, and one on which many airports have already begun work. But without federal research and development funding applied through a pilot program, it cannot be achieved in a sensible manner.

The reasons are many. For example, the rule does not describe what types of systems shall be acceptable in meeting FAA's yet-unpublished criteria. It does not even tell us what a "secured area" is, much less how extensive the system must be. To illustrate the dilemma we face in addressing the rule, let me quote from the rule itself:

"For the same reason that 'secured area' was not defined, the FAA was not specific regarding doors, gates, and other locations to be controlled. To do so, they said, would compromise an airport's security program. For that reason, the FAA specifically requested that airport operators not discuss in their comments specific details of current or proposed security arrangements." (Emphasis added). On the following page, however, the rule states that "since the commenters did not identify the specific issues to be considered to prevent a deterioration of security, the FAA cannot adequately respond to that concern." (Emphasis added). Bureaucracy at its finest.

Thus, 270 airports are not clear about what the government expects them to secure. The rule also assumes an average of 128 access points to be secured at Phase One airports. Chicago's O'Hare airport stopped counting at 1627; New York's JFK airport reached 1500 without adding cargo or general aviation facilities.

The industry has begun to hear from an abundance of vendors of such diverse equipment as magnetic stripe card readers, proximity readers, bar code readers, alpha-numeric key pad locks, 'PIN' key devices, laser scanners and others, all of whom profess their systems to be the least expensive, most secure, most effective, most efficient, or most flexible. All of this leads to the conclusion that a pilot program is absolutely essential to develop these systems and gain the operational experience to identify and resolve problems before we spend vast sums of money to install them at 270 airports.

The access control rule is silent on the need for compatibility among the 270 systems. The need for compatibility becomes obvious when one considers the high degree of mobility in the aviation industry, where one flight crew might require access to more than a half-dozen different airports each day, or where fired employees can access their company security system at another airport within a matter of a few hours. But such compatibility requires a great deal of development and standardization effort.

There are other problems: Should we not also be concerned about cargo and general aviation facilities? Where is the responsibility of an exclusive use tenant (airline)? How much responsibility for security passes between the airport and non-aviation tenants such as food service, concessions, or maintenance personnel? The rule does not address these.

How, then, do we identify and implement a rational, workable nationwide airport security system?

First and foremost, the federal government, led by the FAA, must define the threat against which we are securing our airports. The early 1970's "hijack-to-Cuba" threat which was the initial impetus for passenger x-ray screening, and the disgruntled employee's "internal threat", have been replaced by the threat from international terrorists seeking to make a political statement against a government...generally the United States. Nothing in the FAA's new rule would have in any way prevented the Pan Am 103 disaster, and it is our view that the PSA employee incident on which the rule was based was a once-in-60-year aberration which does not in itself justify a potential multi-billion dollar security system which in all likelihood would not have stopped the tragedy.

Following an identification of the true threats, the federal government should strengthen its program of research and development. We have suggested to the FAA and to several Congressional panels that a federal pilot security program at five airports of varying size, traffic levels, and configuration would help identify the equipment and methodologies which work...and equally important, those which do not work well, in a functioning airport environment. Further, it would allow airports to build their systems based on proven technology which concentrates on "real-world" data for airport security systems and technology.

In virtually every case, commercial airports are owned and operated by a state or local governmental entity, which has neither the budget to comply with the rule, nor the fiscal incentive to engage in what amounts to a federally mandated trial-and-error security R&D program. Therefore, for the control of threats which may be due to problems of access control, AOCI recommends a \$12 million, five-airport, 18-month pilot program which would identify, install and test in an operational environment the systems and technology which could enhance airport security in accord with the FAA-required process.

The report accompanying the Appropriations bill last year encouraged the FAA to institute a pilot program to develop a rational approach to airport security. Unfortunately, they did not follow Congress' advice. We urge you to follow up on that proposal. We still believe it is in the best interests of everyone for a pilot program to establish the best technology, for the best and most effective systems, at the most cost-effective price. We also ask you to exercise close oversight of the FAA in its implementation of the rule, to see that the agency addresses the concerns we have raised.

The FY'90 FAA budget for all aviation-related security R&D is \$9.1 million. This is inadequate even to complete several needed security R&D projects already underway. AOCI has outlined below the additional amounts necessary to complete these projects under an expanded and accelerated program, along with an estimated time of completion of research, engineering and development for each.

The breakdown of the AOCI funding proposals are as follows:

- o Thermal Neutron Activation (TNA) explosives detection:
 - \$2.6 million to develop a mobile system (26 months);
 - \$2.5 million to adapt the system to inspect carry-on bags (26 months);
- o Vapor Detection systems:
 - \$4.2 million to develop a passenger walk-through system, (18 months);
 - \$4.0 million to develop a carry-on bag system (21 months);
 - \$2.5 million for a checked-baggage system, (22 months);
 - \$1.7 million for a portable system, (25 months).

In addition, there are new concepts being tested by FAA at the Technical Center in Atlantic City which should be explored more rapidly. They include:

- \$1.6 million for bio-technology research on micro-organisms which react to explosive vapors (31 months);
- \$3.3 million for development of gamma ray absorption explosive detection techniques (34 months);
- \$3.2 million for active millimeter wave inspection techniques for non-metallic substances, such as drugs, explosives and weapons (30 months);
- \$1.1 million for bottle-content inspection, to identify liquid explosives (22 months);
- \$0.7 million for development of x-ray enhancement software to correlate separate images of independently carried items (12 months).

Certain other proposals which deserve added attention and funding include:

- \$0.75 million for investigation of new x-ray techniques such as "low Z" imaging to identify specific chemical compounds by their atomic signature;
- \$1.25 million to develop knowledge-based expert computer systems to improve identification profiles of high-risk passengers, cargo and baggage;
- \$2.0 million for human factors research to improve the performance of screener personnel;
- \$1.50 million for improved developments in bomb-proof baggage lockers in non-sterile areas.

AOCI recognizes that a great deal of security research and development is being pursued by many government agencies, and the possibility for overlap exists. Therefore, we recommend the formation of an ad hoc interagency working group to identify those areas which overlap, and where such duplication is found, to recommend a lead agency to help achieve significant cost and time savings. The group would be made up of FAA, Customs, U.S. Marshals Service, FBI, CIA, DEA, the armed forces, and certain foreign governments.

The federal government must accelerate R&D work in these areas to expedite the development of sensible and effective systems and technology for aviation security.

These projects require an additional \$10.3 million for FY '90, [plus \$22.6 million spread over FY 91-92]. A FY'90 total of \$22.3 million in newly appropriated funds is needed for security R&D. This additional amount includes \$12 million for a five-airport access control pilot program. We believe this

need, as important as it is, should not be met by diminishing the amounts for the other FAA R,E&D we have identified. New funds are needed.

The rule estimates a total cost for access control systems at all 270 airports to be just under \$170 million over ten years. However, AOCI's and industry estimates reveal the actual costs may be ten times that amount, because the FAA has looked only at initial equipment costs, while ignoring such costs as retrofitting terminal facilities with compatible door frames, doors, hardware, new wiring and conduit, and CCTV monitor systems and wiring at remote perimeter sites. Other peripheral, but expensive problems to be solved include asbestos abatement requirements at older facilities, and compatibility with state and local fire and safety regulations which might require these newly-locked doors to be easily opened in case of emergency.

Thus, if we accept that we must do what the rule suggests, vague as it may be, we must divert the money immediately from some other effort in order to meet the very short time frame required by the rule. In such a short time, will there be sufficient funding available? Will the market have a sufficient quantity of appropriate technology available, and if not, will the price of the limited number of systems available be bid up to meet deadlines? Perhaps airports will be forced instead to design their systems around available, but lower quality and/or less reliable, equipment, as well as inexperienced contractors to install and/or maintain the systems. This will hardly enhance security.

The FAA has stated that it intends to make available to assist airports in implementing the rule \$28 million for FY89, and \$38 million for FY90, as set-asides from existing discretionary AIP funds. Given that those funds total only about \$100 million each year for all capacity, safety and security grants, about a third of all such funds must now be shunted to paying for security systems which, due to the uncertainty of the requirements, are unlikely to do the intended job. And, of course, those funds go only to a few successful grant applicants; other airports must raise the rest of the money must from some other unidentified source.

INNOVATIVE AIRPORT FINANCING TOOLS

We need funding to implement these projects. The Airport Improvement Program (AIP) is clearly inadequate to meet these needs. At present, the traditional airport funding sources--AIP grants and tax-exempt bonds--provide about \$1 billion less annually than airports need to finance long-term planned projects. But in recognizing the federal budget dilemma, AOCI has developed a new funding initiative which could provide substantially greater funds for airports with minimal, if any, impact on the federal budget deficit. This initiative has been endorsed by our member airports across the country, and we hope Congress will give it serious consideration.

Our proposal is to create a Federal Airport Revolving Loan Fund to provide loans from the Trust Fund surplus for airport capacity, security, safety and noise projects. These loans would provide an additional \$1 billion annually for airports to supplement AIP funding and provide a reliable source of funds for many important projects, including security. Most important, the RLF would eventually become a self-sufficient source of funds on which airports could rely for years to come. This would be done by channeling the repayments of such loans into an off-budget account which would then provide a separate, self-supporting source of loan money for airport development.

FINES

AOCI believes that the current method of levying fines for security violations creates an adversarial relationship between FAA and the airports and air carriers, to the detriment of security. We are not opposed to fines per se; they may add to the level of awareness at each facility that the government cares about the quality of the service being offered, and intends to continue monitoring.

We believe, however, that FAA could improve this situation in two ways: one, FAA could de-emphasize the punitive attitude toward fining airports and carriers for security violations, and instead work directly with them to "fix" the system component that failed during the inspection process. Second, if FAA must continue to levy fines, money received from these fines could be applied to air carrier and/or airport security either directly, through grants for security-enhancement projects, or through more FAA security-related research and development. These options would enhance security teamwork, rather than increasing antagonism and reducing funds available to airports and airlines to bolster security.

FURTHER MEASURES FOR FAA TO PURSUE

Pending the application of universal security standards, FAA should impose the same security requirements on foreign carriers serving the United States that it already imposes on U.S. carriers. FAA's ultimate goal, obviously, should be to

protect U.S. citizens --whether they are flying on U.S. or foreign carriers. This leads to the point that the Subcommittee, and the Congress, should give the fullest possible support to research and development for airport and airline security. FAA's research and development efforts deserve your close attention and support, in the form of increased funding.

There are certainly some problems with the systems which are not appropriate to discuss in open hearings, but vapor detection and thermal neutron analysis are potentially the most productive efforts FAA could make to enhance air transport security.

AOCI also compliments FAA for commissioning work at Baltimore-Washington International Airport to find areas where security can be improved beyond current levels. This underscores our point that pilot programs can develop procedural and equipment improvements to reduce security risks, without turning airports into military fortresses, which would be unacceptable to the American public.

In summary, only the federal government can provide the funding needed for effective aviation security. The government has severely restricted the right of airports and local communities to generate their own funds for construction and development of airport facilities, and has withheld the funds entrusted to the government for airport and airway facilities improvement, which are paid by travelers and shippers. Airports and communities have no resources for worldwide intelligence operations, and commercial airlines have no business mounting such operations. That is the province of government agencies alone. We hope they are paying attention, and will step up to their responsibility.

STATEMENT OF MAGIC CARPET TRAVEL AGENCY, INC.

My name is John J.B. Miller. I am Managing Director and principal owner of a small travel agency in Kerrville, Texas located at 1136 Junction Highway, Kerrville, Texas 78028.

This statement is submitted for the record in opposition to S. 596, the Aviation Security Threat Notification Act. The Committee may not realize that many airline fares nowadays have considerable penalties for voluntary changes of reservations. The very cheapest fares permit no voluntary changes at all.

If it were announced that there was a threat against a particular flight and the airline chose not to cancel it, the person would be faced with the agonizing decision of whether to lose his money or perhaps lose his life! On the other hand, there would be considerable moral pressure to cancel flights against which threats had been received, and we know that a large percentage of these threats are "crank" calls, not to be taken seriously. The impact on international air service could be catastrophic, especially on US-flag carriers.

Furthermore, were such a decision likely to be made, it is conceivable that some persons, wishing to extend their stay, might even create an anonymous threat in order to force the flight they had booked to be cancelled so that they would not have to forfeit their money!

Some terrorist threats will be carried out. But I believe that if we ignore them, they will soon cease.

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